THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

April 5, 1947

TREATIES AND LAWS

AN EDITORIAL

Taiwan Needs Good Government

By John W. Powell

World Trade---Or No Trade

By J. R. Kaim

Tyrants Rule Ninghsia and Chinghai

By C. Y. W. Meng

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AN EDITORIAL

VOLUME 105 PRICE CNC$2,000 NUMBER 6

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LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

Peiping In The News

To The Editor:

I am, and have always been, a persistent reader and ardent supporter of your worthy *Review*. Because of your independent and liberal views and your objective manner in editing the paper, the *Review* has gained a good reputation and has given a favorable impression to all those who love truth and treasure freedom of expression.

As Peiping, a city already known as China's center of culture and learning prior to the Jap occupation, has now assumed newly-gained importance besides her traditional fame, it seems to me that she may well deserve more of your attention. Especially in view of the fact that many incidents important enough to have become nationwide issues had their origin in Peiping.

May I suggest that a special correspondent of the *Review* be appointed to Peiping in order to furnish first-hand reports to the public?

LI TIEN-PU.

Peiping, Hopei,
March 30, 1947.

Shensi Sympathizes

To The Editor:

I was greatly surprised to read of the death of Mr. J. B. Powell, your editor and publisher, in the March 8 issue of the *Review*, which arrived only this afternoon. What a tremendous loss to you and your magazine!

Being a keenly interested reader of your *Review*, and an out and out admirer of J. B. Powell as a daring and able journalist, I simply cannot refrain from writing this to express my fullest sympathy in your irreparable loss. But the fact that he has left such a very good impression in the memories of both foreigners and Chinese through his mighty pen, and has made such a small man as I weep, ought to solace and encourage you to carry on with the great task left on your shoulders.

Long live the *China Weekly Review!*

P. Y. WANG.

Pucheng, Shensi,
March 19, 1947.

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Still A Reader!

To The Editor:

My subscription to the *Review* expired sometime ago, but your letters, including the latest one dated March 20, were received. I am sorry I did not renew my subscription nor reply to your previous Notices.

At the time of the expiration of my subscription I was given new work, and ordered from the Engineering Division to my present post in the Designing Office.

Upon my arrival I found that there were already two of your subscribers in this office, therefore I am still a reader of the *Review* although my name does not appear on your subscription list. I should also like you to know that the *Review* is welcomed by all people here who are interested in political and social affairs and who know a little English. Unfortunately, our economic conditions do not permit every one of us to buy a copy.

You may be proud of your effort. You may be able to count the number of subscribers, but you have countless readers. I hope your plan to enlarge the *Review* is carried out shortly. My hearty thanks for your diligent service to readers.

S. W. K.

Hengyang, Hunan,
March 24, 1947.

THE CHINA WEEKLY REVIEW

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(Editor & Publisher, 1918-1947)

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U.N. Advisers

To The Editor:

Do you remember the Mt. Omei woodcutter who wrote a letter which appeared in the *Review* on December 28, 1946? Well, now the opportunity has arisen for me to write again.

Reading your issue of March 8, I felt a great stimulation which will allow me to keep my silence no longer. One reason is Mr. Tao Chang's letter, "Evils of War," and the other is your editorial on the death of Mr. J. B. Powell.

Though I live in the mountains among the trees and rocks, and have little knowledge about China and the world, I do think Mr. Tao Chang made contradictions in his statement. It is good that he regrets China's civil war. He is sad about the sudden recall of General Marshall, and the cessation of U.S. mediation in China, and that is also right.

But he says, "We are dead against outside interference. I hold the opinion that the Chinese internal dispute should be solved by Chinese alone." This is completely wrong. He forgets that our internal strife has been going on for more than three decades. He does not know that "while the kingfish and oyster are struggling, the fisherman gets them both." It is a natural thing.

As we seem to have no plan to settle the war ourselves, it would be much better if our dispute could be settled by arbitration. It is just like the English fable about the dog in the manger. He cannot eat the hay himself, but will not let others eat it!

It seems to me that if our President, Mr. Chiang Kai-shek, would listen to my advice, China's present trouble could be solved easily. He is old now, and has fought for many years. His energy is not sufficient for him to manage both political and military affairs, so why not follow President Truman's method?

Mr. Truman suddenly called General Marshall back to the U.S. and made him Secretary of State; why not recall Mr. V. K. Wellington Koo and let him take over the Premiership here, now that Dr. T. V. Soong has resigned his presidency of the Executive Yuan?

Mr. Tao fears that the Powers will discuss the Chinese situation in Moscow, and even advocate joint intervention. That would injure our dignity. But Mr. Koo could invite General-Secretary Trygve Lie, President Henri Spaak and other U.N. members to be his advisers in solving China's trouble, because they are all his good friends. As this movement would begin from our own side, naturally our dignity would not suffer. What does Mr. Tao think of that?

Do not presume that I am a poor man, only searching for faggots in the forest. I am, in fact, the happiest and richest man in the world. No matter how prosperous China may be after the Civil War, I would not want our Government to make me an official or reward me in any way.

I lament Mr. J. B. Powell's death. He was China's truest friend. I am sorry we have no alchemy or elixir with which to call him back. We can only pray that his spirit may live as long as our Heavenly Father lives, and that he will always sit at His right hand, to see that China has her peace, unification and prosperity, as he hoped while writing for 30 years in your precious paper.

CHANG NI.

Omeihsien, Szechuen,
March 25, 1947.

Correction

To The Editor:

Would you be kind enough to correct "article (5)" in "Crisis Ahead of Postal Service....." appearing on Page 93 of the March 22 issue of the *Review*, as follows:

"(5) Empower the District Director and his Financial Assistant to undertake large financial affairs. The ever-increasing prices and inflation of CNC, are the main factors in the recent economic crisis. To cope with this, the Postal Remittance and Savings Bank should give the District Director of every Postal Administration and his Financial Assistant a free hand to dispose of large amounts of savings remittances and commissioned or entrusted business incomes, as it does its own branches."

DUNCAN LEE.

Kaifeng, Honan,
March 24, 1947.

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Dog In The Manger

To The Editor:

Nationalist circles in China are still congratulating themselves upon the fall of Yenan, Communist hotbed of years' standing. They optimistically predict that the power of the Communists will be reduced to a minimum. But to my mind this may not be so.

With a cool head we can easily see the significance of the Battle of Yenan. The Communists declared before the fall of their capital that "we do not care as much about Yenan as the Nationalists do. When the time for withdrawal comes, we shall withdraw." As evidenced, they can build up many a Yenan in any place at any time.

We know well that the Communists pay little attention to cities or metropolises, but are more concerned with country villages and out of the way places. The so-called "downhill going Communists" are still following a hide-and-seek policy with the warlike Nationalists without losing so much as an ounce of prestige. The Nationalists, on the other hand, in order to insure prompt military help from Uncle Sam and quicken the breakdown of the Communist regime, launched this blitz-like attack against Yenan. But we dare conclude that what the Government has done to the Communists counts for nothing in the long run.

In order to prevent the civil strife in China from kindling a great new world war, Uncle Sam had better not follow a dog-in-the-manger policy. In like manner, we would advise Russia to take a rest and not cudgel her brains for means to support the Communists.

Should these two powers follow this advice, the civil war in China, the civil war in Greece and wars in any other country would soon come to an end.

The time will come for us to determine whether Uncle Sam and Uncle Joe are wise.

FULL CHOW.

Changshu, Kiangsu,
March 25, 1947.

Family Divided

To The Editor:

Reading one of the letters in your issue of March 15, I was happy to find that the opinions expressed by Mr. Fu Wen-yi agree with mine. He said that the "beautiful" composition by Mr. Lam in one of your past issues, is nothing but a well-embroidered pillow with a worm-eaten packing.

There is another "beautiful" composition of Mr. Lam's, entitled "Passive U.S. Charity Useless," which I cannot read without feeling something like disgust. Mr. Lam's mastery of language is superior: but his ideas are inferior to the same extent.

Mr. Lam seems to have ignored the iron fact that it is the evil of the civil war which is ruining our already impoverished country. Is there anything more ridiculous than a family of two brothers who, fighting ruthlessly against each other with their own vast farm laid waste, try to beg a bowl of rice from their neighbor?

It would be useless to deny the significance of American aid to our country. But we must be ready to refuse such aid if it be on unequal terms. In return for what we hope to receive from America—such as heavy machinery for postwar industrial reconstruction but certainly not such things as heavy machinery for carrying on the civil war—we must be prepared to export tung oil, silk and tea.

I believe, and with good reason, that America would never be willing to help a country which does not help herself.

L. LEE.

Peiping, Hopei,
March 25, 1947.

Control Boards

To The Editor:

It is an undeniable fact that China's tottering economy cannot be remedied until the cessation of the civil war, and the deflation of her currency. Judging from conditions that have prevailed since General Marshall failed in his mediation efforts, it would seem that there is no possible end to the civil conflagration. It also seems inevitable that inflation of the currency will continue, apparently prompted by the huge military expenditure and unbalanced budget.

In its dilemma, the Government has been forced to take drastic steps by introducing a board to regulate our import trade, which so far has achieved salutary effects. On the other hand, the Government has established a board for the development of export trade. With this organization the Government hopes to explore the possibilities of expediting exports, and to stimulate prospective exporters.

It is understood that the main function of the export board is to study the condition of the international market, and to provide information and collect necessary data for the exporters' reference. It will also try to solve the exporters' difficulties, and hindrances in the way of exportation, and to give every facility to the development of major export items which are in great demand by foreign countries, especially the United States.

With the export board developing, we entertain a conviction that it will help, in no slight measure, to bolster China's staggering economic condition. Let us hope that the board will ultimately achieve its objective for the benefit of China's export trade and the revival of China's sound prewar economy.

ALFRED WANG.

Shanghai,
March 30, 1947.

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Democracy?

To The Editor:

The Assembly of the "Provincial Peoples' Council" ended yesterday. But even now I do not understand why one-half of the 30 members are ranked as officers of the Provincial Headquarters of the KMT, and the Headquarters of the San Min Chu I Youth Corps.

Who has elected them as representatives of the people? Nobody! Is your country, America, democratic in such a way?

I have no other name to describe this but "Advanced Dictatorship!"

A HOPEI READER.

Paoting, Hopei,
March 22, 1947.

New U.S. Treaty

To The Editor:

May I, a resident of many, many years in China, offer my reactions to the recently-concluded Sino-American Treaty of Commerce and Friendship?

PEREGRINUS.

Peiping,
March 30, 1947.

THE NEW TREATY

Twelve Epigrams by "Peregrinus"

Treaty Making And Democratizing

This government must be democratized
Ere it can work! So have you emphasized.
But amply was it working as escort
To bring for you this treaty into port.

The Open Door

What good the Open Door with equal right
If from within someone cries: "Occupied!"

Timeo Danaos....

This Friendship Treaty is a Danai-Gift
Built and brought in with similar aim and shift.
Too late will China clamor when the crowd
Of heroes, hidden in this horse, jump out.

The New Treaty

You got your treaty now of equal right
And all abuse of alien force has ceased.
So it's proclaimed. But in a vexed plight
You're looking hushed down? You are not pleased,
Not marching in parade with scrolls and band,
Though well endow'd to cheer and glorify?
Where are the "Stars and Stripes?" They were at hand
When for your guests' welcoming they did fly.
To Friendship Treaty not the Treaty's name,
Not giving more than taking friendship's zeal?
Have those, who as your liberator came,
Not proved your freedom with this treaty's seal?

* * *

Their freedom only no more with restraint
To take from you, but with a written right.
The "equal" right for you is vague and faint,
A phantom right without the will and might.

The New Compact

The Great said to the Not-So-Great,
"You will become through me

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As great as I. Not only you
The whole world shall agree.
"'Unequal Treaties' were till now
Your fate. It was a shame.
This treaty here is one wherein
Our rights are all the same.
"You come to me as I to you
And not with force or theft,
With equal right we smoothly take
What is for taking left."
As soon the Not-So-Great had heard
That he could take, he too,
He cried enchanted: "That is just
What I desire to do!"
He stretch'd his chest and jumped along
And sign'd the compact, quick.
There was for reading not the time
The compact was too thick.
And since the Great already sat
With him as table guest,
The Not-So-great saw patiently
Him eat and drink with zest.
He thought: "I wait a bit, soon comes
The turn of rights to me,
And I can only gain by it,
For more than I has he.
And so between reality
And palest fantasy
The compact caus'd for long a time
The finest harmony.

The Phrase "If any....":

What was your thinking with the phrase: "if any?"
I trust you will have none, my states have many.

The Treaty's Frame

You have drawn up this treaty as a guard
Against all frictions with the other part.
So is the treaty's most intrinsic frame
The list of sins for which he bore the blame.
But why did you refuse to him the chance
To counter list your sins for his advance
So that the treaty could be equalized?
You will advise, you cannot be advised
And you must balk your past sins' memory
To hold the way for future sinning free.

The Protocol of the Signing-Act

The record of the signing day
Takes the concealing screen away
And shows how rare the story is
Of such a treaty's genesis.
The text remained unmodified
But got a special tail applied:
Therein is something rectified,
Repeated and exemplified.
Inferior points are qualified
And vital points dress'd up or dyed
Therewith is fully clarified:
The One alone had edified
The text and brought it on the table
As ready-made, unalterable.
The Other did first underwrite
And was thereafter, as one who
Was still interested, asked too.

The End-Accord

After these too bitter verses
Let me say a trustful word
And appease all bitternesses
By a dulcet End-Accord.
Often was this Middle-People
By worse evils press'd and toss'd
But surviv'd because its nature
And its morals were not lost.
No assaults of alien power
Could them paralyze or foil
Even when treacherous turmoil
Uprose on their homeland's soil
Nature: Souls and brains and bodies
In untainted harmony.
Nerves not by mistrust enfeebled
Nor by our hypocrisy.
Morals: Wishes, needs and duties
Self-determined naturalness,
Always midway, equidistant
From renouncement and excess.
When these gifts require protection
Everyone obeys their call,
For he knows, if they are fallen
All his joy of life will fall.
So in this concealed warfare:
Everyone, indeed, will stand
Only for his own, but all their
Single-fighting saves the land.
To us unknown are the tactics
Of this Top-Democracy,
Which leaves nothing to its masters
But their title's paucity.
Once the victory is gained
Other peoples will advance
For this victory will drive them
Off their road of ignorance.

Blair House

To The Editor:

When reading the February 1st issue of the *Review*, I could not understand the meaning of the phrase, "China's Blair House."

Could you take the trouble to enlighten me at your earliest convenience?

PAUL S.

Shanghai,
March 31, 1947.

(The article referred to compared the residence offered to General Edgerton with Blair House, Washington D.C., which is the U.S. Government's official guest house for distinguished foreign visitors. It is situated in the American capital, of course.—ED.)

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Plain Words, Please

To The Editor:

It is always a comfort to me to read words tinged with a liberal viewpoint. So every time I am able to buy an issue of the *Review*, I hurry to read your editorials.

Thus it is inevitable that I develop a critical eye. In one of your editorials in the March 15th *Review*, entitled "Reforms for Taiwan," the big words surprised me so much that I took them for misprints: "Independence," with an all-embracing adjective "full-fledged" preceding it.

The Taiwanese demand does imply something threatening to strictly "patriotic" minds. But up to the present no news has stated or even hinted that the demand—a nationwide one—asks for "full-fledged independence." What do you mean by these two words?

You must have some inner news, otherwise why should you say "what they now ask is full-fledged independence?" For one who has recently learned that some Taiwanese have asked for the setting-up of a U. N. mandate, this seems a far cry from a "full-fledged independence."

Of course, figurative usages of words are welcome for emphasis, but I would suggest that in certain cases it would be better to choose plain words instead of beautiful ones. To modify the possibility of a war for independence, a substitution of "high-potential autonomy" for what you use, could do much. Use them and your warning would be none the weaker.

As a Chinese, what I say may be taken as only profound patriotic indignation. I am not going to talk about my sympathies or dislikes, but it is safe to say that to have a milder, though sometimes forced vocabulary would be a blessing, when "Who's Who in China" keeps a keen eye on the liberals and the nation is overrun with hot "patriots."

KUAN CHEN-HU.

Kiangying, Kiangsu,
March 26, 1947.

Discrimination?

To The Editor:

I cannot help sending you this letter to reveal the unfair treatment meted out to the staff of a national organization.

Following the appointment of Col. Conway as foreign advisor to the Bureau of Public Utilities, a typist-stenographer, a typist and an office boy were employed to expedite the Colonel's work. It is learned that the salaries of these newly-appointed employees will be CNC$1,500,000, CNC$1,000,000 and CNC$500,000 respectively.

It goes without saying that most people will be dumbfounded and appalled when they compare these salaries with the salaries paid to the rest of the staff who have been employed for months and in some cases years. A typist in any other department, working for a Chinese director receives only CN$260,000.

I cannot understand why there should be such a discrepancy in salary when the same work is done for different directors in the same bureau. However, I can guess that this is because of the different color of the bosses' skin. If this is true, then it would be better for Chinese people to seek jobs with foreigners, rather than with our own people.

Should this happen I can imagine the results that will accrue some day among the low-paid employees when more posts are available under foreign directors. As a Chinese, I feel rather ashamed to see our own government treating our people in this discriminatory manner merely on account of a foreigner.

MICHAEL SHIH.

Shanghai,
March 27, 1947.

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China's Treaties And Laws

AT the moment when the United States Senate is considering the Treaty of Commerce and Friendship recently signed between China and the United States, the most important legal agreement between the two countries since the wartime treaty by which America relinquished her extra-territorial rights in China, the Chinese military and other authorities are in the act of flagrantly violating China's own laws by denying the protection of these laws to Frederick Mysberg, Netherlands manager of Abis and Company, an American firm.

The strong-arm methods by which this case has been conducted by the military authorities—and several other past civil and criminal cases involving foreigners — should certainly give America's lawmakers something to think about. One might even argue, "Why sign treaties of friendship, or anything else, with a country which demonstrates unreasonable anti-foreignism and which allows its various military organizations to operate outside the framework of the law?"

While we personally were never in favor of extraterritoriality in the past and certainly are not even leaning toward the ever-growing group of foreigners who now lament its relinquishment, we think that the Chinese Government has completely ignored the provisions of the treaty by which it was relinquished and has behaved in a most irresponsible fashion regarding foreigners resident in the country during the past few years. Prior to its relinquishment China agreed to give full legal protection to foreigners living here—the same protection the more than 100,000 Chinese resident in the United States now receive. This she has not done. Time after time, foreigners have been jailed without sufficient cause, convicted in trials that were a mockery. One may argue that foreigners who run afoul of influential Chinese politicos or militarists receive no worse treatment than do Chinese in similar difficulties, but that is not the point. China has agreed to reciprocal treatment, which means that foreigners here must be treated as nearly as possible in the same manner as Chinese residing abroad. China has law codes, both criminal and civil which, while not wholly satisfactory from a western point of view, do provide certain guarantees to the individual. When foreign nations signed treaties with China it was expected that China's courts would go by the rule book and not behave according to the whim of the moment of bureaucrats and generals.

There have been enough violations of the law since V-J Day alone, not to mention a few completely outrageous cases between 1943 and 1945, to give the average foreigner coming to China to work or to invest his capital pause for thought. If the present trend of arbitrary military and political control of the courts is not halted, many Americans are not only not going to be interested in helping China pull through these difficult times, but are likely to become active lobbyists in the States against granting further loans to a country that is a bad risk financially *and* which openly demonstrates its official unfriendliness to American and other foreign nationals.

The latest incident, the Mysberg Case, is a good example of how Chinese officialdom openly violates the nation's laws and discriminates against foreigners. Mysberg was actually abducted by the Woosung-Shanghai Garrison Headquarters on March 3 when the premises of the American Abis Company in Sassoon House were searched without a warrant, either for the search or for an arrest. At that time the Garrison Headquarters carried away about US$350,000 in banknotes and 38 gold bars which were in the company's vaults. In addition to "arresting" Mysberg, four other employees of the company were temporarily jailed.

The search of the American office was carried out in the latest terroristic method with more than 20 gendarmes waving drawn pistols in the faces of the employees. The gendarmes behaved much in the manner of little boys who don't understand the full significance of having a gun in hand. It might be amusing if it were not so dangerous. General Stilwell and the American Army did not train and arm these "super troops" so that they might terrorize the civilian population after the war.

One interesting angle to the case is the fact that since March 3 no one has seen anything either of the money or the gold bars. The Chinese law, like the law of other lands, provides that any property taken into possession in such a search constitutes evidence and must be produced in court by the prosecution. At that time it is supposed to be taken into custody by the court. In this case, the money and gold bars have not been introduced in evidence, except a token package of U. S. currency which the Garrison Headquarters placed before the court and then speedily withdrew. This is in direct violation of Chinese law and naturally causes one to wonder just what the Garrison has in mind about the money.

As we reported before, Mysberg was first taken to the notorious Japanese Kempeitai torture chamber popularly known as Bridge House, which has now been taken over by the Chinese Shen Ping. There he was put in shackles and thrown in a room already crowded with 40 prisoners. Later he was removed to a smaller cell which had no window panes and which was bitterly cold.

Mysberg was held at Bridge House for five days by the gendarmes who showed no inclination to turn him over to the proper legal authorities for trial until after the Netherlands Embassy had made repeated protests to the Chinese Government. They then, apparently reluctantly, turned him over to the procurator of the Shanghai District Court.

The procurator has refused bail and on March 12 charged Mysberg with violating Article 7 of the Measures Prohibiting Circulation of Foreign Currency Banknotes in China which was promulgated on February 17, 1947. The District Court also has refused to release Mysberg on bail. This again is a direct violation of Chinese law which provides for the release of suspects on bail. It is understood that all Chinese courts have received instructions from the Ministry of Justice ordering them to apply the provisions of the Chinese law allowing prisoners to have bail so that they do not suffer unnecessary punishment. Any Chinese, or anybody else for that matter, arrested under similar circumstances in America would have been out on bail within 24 hours. That is the law.

The Netherlands Embassy protest points to the fact that Chinese accused of similar offenses have been given the protection of Chinese law which provides for release on bail. The Embassy stated that the refusal of bail was discrimination against a Netherlands subject. The Embassy is further reported to have offered to guarantee that Mysberg, if released on bail, will be present in court whenever required.

The handling of this case so far has been scandalous. We would suggest that the official representatives of the foreign nations involved—the Netherlands and the United States—would do well to follow it carefully and to make detailed reports to their respective governments. Although reciprocity is supposed to be the rule, it would be impossible for either the United States or Holland to retaliate in such fashion against Chinese in America, the Netherlands' East Indies or the Netherlands, since it is an established fact that life and property in these countries are free from depredatory raids by irresponsible elements. However, it certainly should be possible to take precautions against getting hoodwinked in the signing of future treaties and to extract some iron-clad guarantees from China before granting any further financial assistance to the present Chinese regime.

Armed Riots Spread

WHILE the island-wide riots in Taiwan last month were undoubtedly the most serious of any in China for a long time and as such grabbed the newspaper headlines, there have been a gradually increasing number of riots throughout the hinterland for the past few months. Many are small, of course, being only local peasant uprisings in scattered hsiens, but the mere fact that conditions leading to such uprisings appear to exist in at least eight different provinces should give the Government some cause for alarm.

CHINA'S LAND LAW

The complete text of the Land Law as promulgated by the National Government, scheduled for publication in *The China Weekly Review* this week, will be included in the forthcoming April 12 issue.

Occasional reports of these riots have appeared in the Chinese and foreign press from time to time during the past winter, but the best roundup to be published recently was carried by the *Wen Wei Pao* last month. According to this paper uprisings have taken place in the following areas: Szechuen, Shensi, Sikang, Kweichow, Hunan, Kwangsi, Kwangtung, Chekiang, the Kiangsu-Chekiang-Anhwei border area and in the Tai Hu area.

In Szechuen, according to press dispatches from various cities, there are separate uprisings in the eastern, southern, northern, central and western areas, with the total number of armed men being more than 100,000. Of course, it is possible that some of these uprisings in Szechuen are just part of the normal state of affairs in that interior province where, according to one author's estimate, "there were no less than '700 civil wars' among the warlords between the time of the founding of the Chinese Republic and the outbreak of the Sino-Japanese War."

In Shensi there are reported to be at least 6,000 armed rioters scattered in bands of various sizes in more than 20 districts.

The Sikang revolt, about which much has recently been written in both the Chinese and foreign press, is reported to be continuing, although it is said to have quieted down somewhat since a few months ago when battles involving hundreds of casualties on both sides were reported.

The Kweichow disturbances are said to be comparatively minor, involving only a few bands of armed farmers scattered about the mountains, with the exception of one group operating near the Hunan border which is said to be 2,000 strong and armed with machineguns.

A "Paupers" Corps, consisting of dispossessed tenant farmers is said to be operating in Hunan. Many of these men, it is reported, are former underground fighters who objected to the return of their landlords from Free China after V-J Day and the imposition of the old rents and other levies.

Heavy land tax and rice requisitions in famine-ridden Kwangsi are said to be responsible for armed riots in numerous cities. One armed force is said to be named "Southern Route People's Emancipation Army" and is reported to receive considerable support from the farmers.

The situation in Kwangtung is probably quite serious. Rebels of various kinds are said to be occupying no less than 30 percent of the province. There are reported to be considerable Communist forces in various areas, such as Hainan Island, the East River area and the Pearl River delta. There are continuous reports of armed bands of from 100 to 300 men suddenly appearing before villages and small towns in

many districts. These reports would seem to be borne out by the large number of "bandit suppression" campaigns that have been launched in various parts of Kwangtung during the last year, in addition to large-scale roundups of liberals in Canton from time to time.

It is reported that there is not a single district in Chekiang which is free of disorder. One large group of "bandits" is said to be operating in the mountains along the Fukien border, where they have effected a link with the rioters in Fukien. Peasants and fishermen are said to be armed in various other areas, with some having disarmed local garrisons and established their own regimes, while others lie off larger cities engaging government forces in guerrilla actions.

Several hundred members of the so-called Local Self-Defense Corps are reported to have joined hands with guerrillas in the Kiangsu-Chekiang-Anhwei border region.

In the Tai Hu area there are reported to be 10,000 well armed men who, employing bazookas, tommyguns and trench mortars, and calling themselves the "United Democratic Army," have been engaging in extensive guerrilla activities near Soochow and Wusih and in other localities.

The foregoing instances of riots and uprisings were collected by the *Wen Wei Pao* from various sources, including news agencies and other newspapers. Whether they are all correct in their details is not so important. Neither is it important whether the people involved are bandits, communists, farmers or just dissatisfied citizens. What is important is that conditions causing such dissatisfaction exist over so widespread an area.

Chinese Deposits Abroad

IT is reported that the Supreme National Defense Council is now considering a proposal which would force Chinese with deposits in banks in foreign countries to report their holdings to the Government with the idea that the Government would take them over in its drive to float an internal U.S. dollar bond issue.

Such an idea naturally has a certain amount of appeal, especially to a government on the verge of bankruptcy which is searching high and low for a means to continue financing a civil war. The war must be paid for in some fashion and exactions from the usual source—the peasantry—will bring in only so much local currency, while foreign exchange is equally important.

Like many other people we view such a proposal with mixed feelings. On the one hand it would be interesting to reveal the holdings abroad of many of the nation's bureaucrats. The history of some of these deposits would make very enlightening reading. On the same side of the question is the argument that in times of crises the Government should naturally commandeer its citizens' assets abroad.

On the other side, though, is the idea of the sanctity of private property. Another angle which comes up is the undeniable fact that once the Government gets its hands on such monies, it is virtually certain that the greater part will be inefficiently spent upon non-productive foreign purchases, such as arms for the troops, and that such capital, which later might be used for the nation's reconstruction, will be generally wasted.

Despite the fact that we would like to see the foreign holdings of government officials and speculators revealed, it would seem that now is not the time for the Government to attempt to take over such funds. In the first place it interferes unduly with the rights of private property. Secondly, since the largest individual holdings abroad are believed to belong to a handful of officials, it is more than likely that the "disclosures" would be conducted in the usual bureaucratic manner so that the "big fish" would escape, while the legitimate businessmen, and other holders of limited capital abroad would suffer.

The time to attempt to obtain Government control of private assets abroad, we should think, would be when the civil war is over, when conditions have become more normalized and there is real need of funds for reconstruction. At such a time, we imagine, it should not be too difficult to get people to declare their holdings.

Wheels Of Justice

THE publication in the daily press last week of three items of news having to do with modern law and justice, certainly struck an odd note. These three items, published the same day, were:—

1. Five Japanese army officers, convicted of guilt in the Burma railway atrocities, were hanged in Singapore.

2. Hsu Kwang-yue, 23, convicted drug trafficker, was shot to death at Ward Road jail.

3. Chow Fu-hai, puppet mayor of Shanghai at the time of the Japanese surrender and one-time minister of finance, who had been condemned to death by Chinese war crimes courts as an ace collaborator, had his capital sentence commuted to life imprisonment by the National Government.

Item one is easily disposed of, for there is not the slightest doubt that the Japanese army men richly deserved the retribution that belatedly overtook them. They were responsible, directly or indirectly, for inhuman cruelties which cost the lives of thousands of luckless Allied prisoners and no sympathy whatever will be felt for them.

Item two, these post-war days when so many extraordinary precedents are being set by the Chinese courts in the trials of wartime offenders as well as in other cases, provides food for thought. Not that Hsu did not deserve drastic punishment. Under the anti-narcotic laws of China, promulgated more than a decade ago and but haphazardly enforced since—the official explanation unfailingly is that Japanese aggression intervened—Hsu got only what he had coming.

What strikes us as more than a little unusual is the harshness of the sentence, particularly in view of the man's tender years. He was 23 years old, Chinese reckoning, which would

make him 22 or a little less by western methods of calculating age. He was, in fact, just of voting age by occidental standards and accordingly hardly could have been a hardened criminal. His misfortune lay in having been caught red-handed, and the law exacted the maximum penalty.

Hsu's case is in extraordinary contrast to several in recent months in which operators of Nantao and other opium dens during the Jap occupation and other violators of the anti-drug laws, including a particularly notorious collaborator who enjoyed something of a monopoly under the auspices of his Japanese masters, escaped with such relatively light sentences as imprisonment for five years, confiscation of ill-gotten gains and property and, least important of all, deprivation of civil rights for the period of their incarceration.

Likewise extraordinary, in the light of young Hsu's execution, are the many cases of official corruption and malfeasance which although brought to light in the press and reportedly pending—in the courts of China, both civil and military—fail not only of comparable sentences, but seemingly are permitted to "pend" indefinitely, the offenders failing to come to trial at all. The CNRRA cashier who "borrowed" billions of government dollars and lent out huge sums at black market interest rates, is an example in point. Others include the central figures in the now nearly year-old "Rice Scandal." Most recent are the officials dismissed from the government bank for malfeasance in connection with the February "Gold Rush," but, except in three cases reported to date, still enjoying complete freedom and, no doubt, their ill-gotten gains.

Too many "Tigers," as the vernacular press colorfully has dubbed these gold sharpers, have escaped the clutches of the law for some unexplained reason while two of the three Chinese arrested have been released on sureties provided by the new Governor of the Central Bank of China and, reportedly, by no less a personage than the Minister of Finance himself. It was explained to the Garrison Commander's office that these two dismissed bank officials were needed to clear up affairs at the bank. Why they could not have been taken from their cells when and if required for questioning by the bank officials and then returned to their places of detention, remains unexplained. If the law provides for bail, then let the law be applied in all cases—not merely in what may be termed exceptional cases.

Hsu's execution seems to us to emphasize the point that too many "Tigers" and sharks are escaping the government dragnet while "Mosquitoes" and little fishes, like Hsu and another dope peddler now under sentence of death, pay in full.

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Item three, the Chow Fu-hai case, however, may be held up as one in which justice has been tempered with mercy. A top traitor, Chow was an able administrator and, what is all-important in connection with the commutation of his sentence, served the National Government immediately after the surrender. He remained at his post as Mayor of Shanghai and maintained order pending the taking over, which did not occur for some weeks. During that period the bloodiest of riots and disorders easily might have occurred but for the firmness and determination displayed by Chow in keeping the police at their posts while high puppet officials scattered to the four winds.

Chow, according to a story in circulation at the time, was requested by the highest Chungking authorities to carry on, in consideration of which service, it was said, his post-war actions would be taken into reckoning when his crimes were adjudged. It is an encouraging sign, we feel, to see the courts perform their duty, as they did in Chow's case by condemning him to the same fate as puppet president Chen Kung-po and other top Wang Ching-wei followers, and then see the government step in and honor what seems to have been a telegraphic promise of mercy in return for a service, by commuting his punishment to imprisonment for life.

Spring, Garbage And Health

THE long winter is over. Death by freezing is a thing of the past—until next winter.

The watery sunshine presages heat, and the sudden change of temperature will have a more invigorating effect upon germs than upon their victims.

According to the Public Health Bureau, the incidence of smallpox has increased from 121 cases in January and 165 cases in February to 188 cases from March 1 to 18. Of these 473 cases, 69 were fatal. In January there were 39 cases of meningitis, in February 62, and from March 1 to 18 there were 65, totalling 166. Forty-three victims died. For the same periods, cases of diphtheria were 54, 105 and 47, respectively. Twenty-one of the 206 victims died.

The Public Health Bureau announced further that the number of epidemics reported this year is higher than for the same period last year. It warns the citizenry to take such precautions as to secure the best ventilation possible, practice personal cleanliness, avoid sudden changes of temperature and avoid infected persons and large crowds in so far as that is possible. Free vaccinations are available in all Public Health Bureau clinics.

Cholera is likely to develop with the warm weather. Garbage and refuse left around the city have been unsightly and malodorous throughout the winter; they are dangerous today. The menace will grow as increasingly warm weather brings swarms of flies and mosquitoes. It is an unfortunate fact that garbage is not collected promptly. We have all minced and slithered around rotting piles of it at high noon and long after. Often it is simply dumped on the sidewalk or in the gutter, without benefit of container. If it was originally in the concrete box provided by the city, it has been dragged out and mulled over by scavengers and rag-pickers who have trundled off their unattractive loot, after strewing the vile remnants across the populous pavement.

Besides being a traffic hazard, the food vendors have become a health hazard—more serious

as summer approaches.

While cooked food is less dangerous while still hot, some of it stands exposed to the coughing, sneezing, spitting populace for some time before it is eaten. Worse are the fruit and vegetables which are not cooked, but only rinsed of their dust occasionally, over and over again in the same dubious cold water, to keep them moist and fresh-appearing.

What has been attacked as an inconvenience must now be recognized as a menace to the public welfare.

Perhaps the most tragic lesson still to be learned is in public health. Thousands will die this year, not in a political cause, but through ignorance and carelessness. It is a problem that has proved too great for public health authorities in the past. Let us hope that, together with the police, they will take effective action this year.

New Postal Regulations

SHANGHAI'S Postoffice this week announced several new postal regulations and modifications which should contribute toward improved handling of mail here. The mere fact that Shanghai's Postoffice has chosen this period—a period when China's bureaucratic structure is showing alarming signs of falling apart—to inaugurate measures aimed at improvement and modernization of service is a tribute to the postal system and those who direct it.

The Postoffice has long been one of China's model government agencies and apparently the directors are attempting to keep it so. This organization, along with the railway administration, gives ample proof that the Central Government is capable of operating reasonably efficient public services.

While the Postoffice is beset by many of the same problems as other government agencies, its administration appears able to overcome a large number of them. We feel that we are in an especially good position to know just how well the Postoffice functions. In addition to sending and receiving the usual volume of mail as other business organizations, we post several thousand copies of the *Review* each week.

Naturally we have to depend upon the Postoffice for rapid delivery and whenever there is a hitch some place along the line we hear about it from our subscribers. As is to be expected in these difficult times, we receive a good number of complaints of non-delivery or slow service from time to time. However, the complaints we receive are extremely insignificant when compared to the thousands of readers who regularly receive their *Reviews* rapidly and in good condition.

Whenever we do receive a complaint, though, we check with the Postoffice to determine the cause, and we have found that in the majority of cases delay in service is caused by factors beyond the control of the Postoffice, such as interruptions in plane service, etc. Of course there are instances in which copies of the *Review* have been lost or misdirected, but again the majority of these cases occur in postoffices outside of Shanghai.

It has been our experience, both before the war and since, that the postal authorities continuously make every effort to extend and improve their service. There would be little to complain of if the same could be said for the rest of the Central Government's bureaus and agencies.

25 Years Ago In Millard's Review Of The Far East

April 8, 1922.

"H. R. 4810"

American merchants primarily interested in the development of American trade in China, assisted by several thousand manufacturers in various parts of the United States, have been trying for several months to induce Congress to pass a measure known as the China Trade Act. The bill, which carries the title of "H. R. 4810," has passed both houses, but in different and conflicting forms, and is pending before the Senate and House conference composed of Senators Cummings of Iowa, Brandegee of Connecticut, Walsh of Montana and of Representatives Dyer of Missouri, Volstead of Minnesota and Sumner of Texas.

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Straws In Wind

"The far-famed and genuine hospitality of the Chinese Legation, under the agreeable Minister Sao-ke Sze and his charming wife, Mme. Sze, reached a happy climax Thursday in the brilliant dinner in honor of Vice President and Mrs. Coolidge..."—*Washington Post* for March 12. If the adage that "straws show which way the wind blows" has any standing in international affairs, then we may assume that the rapidly increasing prestige, both social and political, of the Chinese Legation in Washington is an accurate barometer of the increasing importance of China generally in world affairs. The time is not far in the distant past when the Chinese Legation at Washington did not count especially large in the affairs of the American capital, where there is said to be located more embassies and foreign delegations, official and unofficial, than in any other world capital.

10 Years Ago In The China Weekly Review

April 3, 1937.

"Re-marriage"

Relations between the Knomintang and the Communist Party formed one of the subjects of an interview given to press representatives March 25 by Shao Li-tse, director of the publicity department of the KMT, the *Shanghai Nippo* reports. The Communists, Mr. Shao revealed, have agreed to dissolve their so-called Soviet government and to reorganize the Red Army, but so far have given no indication of their acceptance of the other two conditions for rapprochement with the KMT as laid down by the recent Third Plenary Session of the CEC. These two remaining conditions call for cessation of Communist propaganda and abandonment of all class struggle activity. The Central Government is prepared to reconsider these two conditions, Mr. Shao declared. Negotiations which are being conducted between the KMT and the CP, Mr. Shao said, cannot be referred to as a "re-marriage" between the parties since both have undergone a transformation in recent years.

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Martyrs Honored

The entire nation observed March 29, the anniversary of the supreme sacrifice of the 72 martyrs at the Yellow Flower Hill in Canton in 1911, when they heroically staged an uprising which proved abortive at the moment but ultimately paved the way for the successful Wuchang Revolution on October 10 the same year. National flags were half-masted throughout the country and mass meetings were held in all cities in commemoration of the occasion.

Good Government, Common Sense Needed In Administering Taiwan

By JOHN W. POWELL

(NOTE:—Mr. Powell returned last week from a nine-day visit to Taiwan, where he was able not only to observe at first hand the situation on that troubled island, but also to interview countless independent foreign and Chinese eyewitnesses of the terrible experiences that befell Taipeh, the capital, and numerous other cities and areas of Taiwan during the March riots against Chen Yi's monopolistic misrule and the bloody aftermath of their ruthless suppression.)

THE detailed story of how Governor-General Chen Yi and his subordinates tricked the Taiwanese into halting their demonstrations last month sounds as if it had occurred several centuries ago. Such action—especially when one considers how legitimate were the people's demands—seems almost unbelievable in the 20th century.

The riots, which were the natural result of the government's oppressive policies, actually began on February 28 and grew in intensity until about March 4 when the people secured control of virtually the entire island, with Chen Yi and his officials holed up in barricaded office buildings in Taipeh and other cities. When it became evident that the people had the upper hand, Chen Yi, a tough old warlord of a bygone era, stalled for time and radioed Nanking for troops.

On March 1 a committee representing the people called on the governor and presented the following five requests:

(1) Immediate abolition of martial law;

(2) Immediate release of those people arrested;

(3) Orders to troops and gendarmes prohibiting them from firing upon the people;

(4) Joint formation by the people and the government of a committee to negotiate for the settlement of the incident; and

(5) A radio speech to the people by Chen Yi.

Chen Yi readily accepted all of the requests and in his broadcast later in the day confirmed this, telling the people that he wished to act in a liberal fashion and trusted that the people would now consider the incident closed.

Further Pledges Given

On March 2 Chen Yi made another broadcast to the people saying:

"Now in order to calm the hearts of the people and speed up the restoration of order, I have decided to take more generous steps:

"(1) All people taking part in the riot will not be prosecuted in consideration of their being impulsive and their lack of sense while so acting.

"(2) All people arrested by the gendarmes and the police for taking part in the riot will be released.

"(3) The families of those killed in the incident will be generously and substantially compensated and the wounded will be given free medical treatment, no matter if they are Taiwan Chinese or mainland Chinese, government employees or private citizens.

Governor Chen Yi May Be Recalled

THE Standing Committee of the KMT CEC passed a resolution for the recall of Taiwan Governor Chen Yi to support the previous resolution passed at the sessions of the CEC last week, it was reported by *AP* from Nanking. Reliable sources assert that Chen Yi has already handed in his resignation to the Generalissimo, who has not yet decided to accept it. It is said that the Generalissimo will decide when a successor to Chen Yi is named.

"(4) A committee will be organized to settle the incident. Besides government officials and members of PPC's, representatives from the people of all walks of life will be invited to join the committee so that it may represent opinions of the majority of the people.

"Taiwan compatriots, you must feel relieved at such magnanimous steps taken by the government. I love Taiwan and I love Taiwan compatriots. I hope you will be calm after listening to this announcement. I hope you will immediately restore the conditions which prevailed before February 27 and return to your work. I believe that after this incident, the government and the people will be able to cooperate better and more sincerely in order to attain spiritual unity."

Elections Promised

On March 6, when troops from the mainland still had not arrived, although he had requested them on March 1—the very day that he made his first "friendship" broadcast to the people—and with the people in control of nearly the entire island, Chen Yi again spoke over the radio, telling the Taiwanese of his determination to reorganize and broaden the government.

He promised elections throughout the island, the establishment of a regular provincial governorship to replace the present dictatorial governor-generalship and he promised to appoint brilliant and capable Taiwanese to various government posts. In conclusion he said: "I sincerely hope the people will have confidence in the government and cooperate with it in the maintenance of peace and order."

Peace and order were at this point being maintained, but what Chen Yi apparently objected to was the fact that they were being maintained by the people and not by the gendarmes, who were cowering behind machine-guns in their barracks.

At noon on March 8, Major-General Chang Uo-tao, commander of the 4th Gendarme Regiment, called on the February 28th Incident Settlement Committee in the Taipeh City Auditorium. He said that he wished the Committee would reconsider its demand for the withdrawal of Mainland Chinese troops, saying that he hoped that the Committee would not "involve" them in the incident. He pointed out that there were only a few gendarmes and fortress and airfield guards in the province and that they were national troops.

"Troops . . . Not Dispatched!"

He said: "I can guarantee that there will be no social disturbances if the people do not try to disarm the soldiers. I want to especially report to you that the demands for political reforms of this province are very proper. *The Central Government will not dispatch troops to Taiwan.* I earnestly entreat the people of Taiwan not to irritate the Central Government, but cooperate to maintain order. *I can risk my life to guarantee that the Central Government will not take military action against Taiwan.* I speak these words out of my sincere attachment to this province and the nation. I hope Taiwan will become a model province after these political reforms."

That afternoon the first troops from the mainland arrived at Keelung; before midnight they were in Taipeh and had reinforced General Chang's unit and the blood bath was on. Taiwanese were shot on sight, homes were entered and the inhabitants robbed and killed.

Rumors Of Wicked People

By the next morning most of the leaders of the Committee had been imprisoned. The following day, March 11, Chen Yi again spoke to the people, saying: "Yesterday I declared temporary martial law again. Now with the utmost sincerity, I want to tell our good and virtuous brethren who constitute the very majority of the population of the island that my declaration of martial law is entirely for your protection. You must not listen to the rumors of the wicked people. You must not be suspicious or afraid. There shall not be the slightest harm to our law abiding brethren. You must feel at ease."

At the very moment he was speaking, his newly-arrived troops—the troops that General Chang promised "at the risk of his life" were not coming, and the same troops that Chen Yi himself called for as early as March 1—were killing and arresting people in Taipeh by the hundreds and were already fanning out southward through the island to inflict similar reigns of terror on inland cities and villages.

On the same day he issued an order dissolving the Committee for the Settlement of the February 28 Incident, which, of course, was hard-

ly necessary since he already had most of the members in jail by that time.

A few days later censorship was imposed upon the press and most of the papers in Taiwan were subsequently closed by the military. One of the few remaining open was later suppressed upon the personal order of General Pai Chung-hsi, Minister of National Defense, who was displeased because of a story reporting the CEC censure of Chen Yi which appeared in the Ministry of National Defense publication *Ho Ping Jih Pao* (Peace Daily).

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Corruption And Nepotism

THE reasons why Chen Yi and his henchmen so shamefully tricked the people by saying one thing and doing another are not too difficult to understand. It is merely the case of an old-style warlord running a government rotten with corruption and nepotism. It is the same style government, with a few modern improvements, as he ran in Fukien Province until he was relieved by the National Government. He even has many of his old Fukien associates with him. Chen Yi undoubtedly sees nothing wrong with the way in which he has administered the island, either before the riots or since.

Being a warlord general he is not likely to consider people's rights important, nor is he likely to spend any sleepless nights worrying about the Taiwanese his troops butchered. He undoubtedly feels quite satisfied with himself. During a year and a half he has delivered the loot to the National Government's civil war coffers as per Nanking's instructions, he has gotten jobs for his old associates and, during the recent troublous times, he managed to kid the boys along until the troops arrived and enabled him to put down the dissenters.

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Rebellions Dot History

THE reasons why the Taiwanese finally rose in rebellion against their "liberators" are equally easy to understand.

The entire history of Taiwan's contact with China has been one of frequent rebellions against misrule by mainlanders. When the Manchus controlled Taiwan there were 22 major rebellions, not to mention riots and other disturbances. Such a situation has prevailed for so long that there is now a proverb in the island to the effect; "There occurs a minor rebellion in every three years and a major one in every five."

When the Manchus ceded the island to Japan in 1895 by the treaty of Shimonoseki, the Taiwanese refused to accept the transfer and set up the Taiwan Republic to resist the Japanese occupation. It took the Japanese about six months to subdue the island and several years to secure peace and order. As late as 1935 there were aboriginal uprisings against the Japs.

"Liberators" Ruffians

At the time of the Chinese occupation following V-J Day, the Taiwanese—having all but forgotten their differences with their mainland cousins some 50 years before—welcomed the Chinese troops and officials as liberators. The "liberators," from Chen Yi down to the privates, instead of acting as such, behaved much more in the manner of conquerors coming to rule a subject people. The troops, drawn from the uneducated peasant and coolie classes in China, appeared as ruffians to the literate Taiwanese. The troops also brought the dirt and filth of the mainland with them.

The Chinese officials were incapable of understanding little things such as how the Taiwanese were used to keeping the streets of the cities free of refuse. In addition to the cultural gulf, the soldiers and officials behaved in the manner in which they are accustomed on the mainland; they requisitioned the better homes and office buildings, without paying any compensation. They grabbed virtually everything of value they could find, including foodstuffs, and shipped it off to the mainland to be sold. This contributed greatly to the near famine in 1945, the first famine in decades.

Island Stripped

Chinese rule had not been long established before overall plans to loot the island for the civil war were put into effect. While the Japs exploited Taiwan for the benefit of the home islands, they well understood just how much they could take out each year without reducing the next year's returns. They also realized that if they wished to increase the island's productivity, a certain amount of the yearly profit had to be plowed back in the form of development projects. The Chinese have either overlooked these exceedingly simple truths, or else they don't care and are interested only in stripping the island and selling its "capital" for immediate profit.

This policy, plus a certain amount of personal corruption among officials, leaves very little for the Taiwanese who daily grow poorer as they watch their modern cities and industrial establishments fall apart under Chinese mismanagement and neglect. The homes of some officials which were sacked by the mobs in the first days of the riots, yielded huge hoards of loot: food, gold and silver bars, and millions of dollars in currency.

Monopolies Extended

The Japanese Monopoly Bureau was retained by the Chinese Administration, thus giving them internal control over such important commodities as camphor, liquor, tobacco, tea, etc. In addition a Government Trading Bureau was established to handle all the island's import and export business, thus freezing the Taiwanese out of additional lucrative economic fields. The officials claim that these two organizations are justified as they maintain sufficient supply, prevent hoarding and, by their revenue—40 percent of this year's provincial budget will be met with funds collected by the Monopoly Bureau alone—decrease taxes. This is a poor excuse at best, but it isn't even a poor one in reality because the "profits" of the Bureaus accrue to the National Government which adds them to its war chest. In addition, the Bureaus are inefficient and entail a lot of wastage.

For example, the Monopoly Bureau ordered all farmers and small merchants to bring the tea crop to the Bureau. The price offered was lower than usual, so many hesitated. However, some did deliver their tea to the government. A few of them received deposits, but the majority have to this day not received a cent.

The Bureau then attempted to sell the tea abroad but found it lacked contacts and familiarity with the tea business, with the result that only small quantities ever were sold and these have been peddled on the Shanghai and Hongkong markets. The net result was that the Bureau stole the tea from the farmers, made a complete mess of disposing of it, and delivered what profit they made, if any, to the National Government.

Government Corporations

In addition to the Monopoly and Trading Bureaus, the provincial government has set up the following government corporations for doing business:

The Taiwan Provincial Glass Industry Company, Ltd.

The Taiwan Provincial Navigation Company, Ltd.

The Taiwan Provincial Life Insurance Company.

Figures Of 1946 Foreign Trade Reveal One Cause Of Taiwanese Discontent

(From the Shanghai Bureau of "Business Week.")

OVERSEAS trade statistics for 1946 reveal one of the real causes of discontent. Exports from the island, all of which had to pass to the mainland through government agencies, amounted to 725,000 tons. Imports, on the other hand, were less than 200,000 tons of which more than 75 percent was United Nations Relief and Rehabilitation Administration shipments. This lack of balance is in sharp contrast with the trade maintained during the 1930's by the Japanese.

Whereas the Japanese also exploited the island during their 51 years of occupancy, they did not treat it as a spoil of war. Instead they developed one of the best balanced economies in the Far East, even though it was a slave economy. Exports for the five year period, 1935-1939, totalled US$615,000,000. Against this products worth US$490,000,000 were imported. Invisible imports such as salaries of Japanese technicians and managers are not included.

The Taiwan Provincial Insurance Company.
The Taiwan Provincial Paper Manufacturing Company.
The Taiwan Provincial Electrical Industry Company.
The Taiwan Provincial Ship Building and Engineering Company.
The Taiwan Provincial Power Company.
The Taiwan Provincial Pineapple Company.
The Taiwan Provincial Mining and Industrial Equipment Company.
The Taiwan Provincial Printing Company.
The Taiwan Provincial Transportation Company.
The Taiwan Provincial Medical and Surgical Supplies Company.
The Taiwan Provincial Water Products Company.
The Taiwan Provincial Sugar Company.
The Taiwan Provincial Soap Industry Company.
The Taiwan Provincial Tea Industry Company.
The Taiwan Oil Company.
The Taiwan Iron Works.
The Taiwan Steel Works, and
The Taiwan Construction Company.

In addition the government has established an aluminum company, a copper company, a chemical fertilizer company, a cement company, a spinning company, a coal mining company, a ceramics company, an industrial chemical company, a dairy products and ice company, and some transportation companies.

With such an economic setup, it is little wonder that the Taiwanese are under the impression that China's only interest in the island is one of complete exploitation. It also makes easier to understand the reason why the Taiwanese continually use the Japanese expression, "*Chinan buda kane taberu*," meaning, "Chinese pigs eating money."

Rulers Blame Japs

When asked to explain the poor state into which the island has fallen since the Chinese occupation, provincial officials, explain that it is a result of Japanese development plans for Taiwan which tied her firmly to Japan's industry and of American bombings which destroyed or damaged so much of the industry. Both reasons have some merit in them and do account to a certain extent for the present trouble. However, there is no assurance that even if the Chinese had received the island with all of its communications and industries in tip top shape, they still would not be looting the place for the benefit of the mainland.

Japan did tie the island's entire industry and agriculture to her own economy and the dislocation has been a severe blow. Japan, through the use mainly of intensive fertilization, raised agricultural production to an unbelievable level. Since the surrender virtually no chemical fertilizer has been produced locally and only small quantities have been imported through UNRRA. The seriousness of this in limiting food production can be understood when it is realized that in pre-Pacific War days, Taiwan received between 30 and 40 percent of all fertilizer imported by Asiatic countries.

In many other lines Japan built industrial establishments in Taiwan which were capable of carrying out the refining or manufacturing process just to the extent that the product, although ready for Japan's finishing plants, would not be saleable on the world market. This is especially true in the sugar and copper industries. In this fashion Japan reserved for herself the task of finishing the process and marketing the product. Obviously, China is no help to Taiwan in this sphere inasmuch as even the partial refining and manufacturing plants of Taiwan are far in advance of anything in China.

Standards Declining

However, these valid handicaps do not excuse the poor Chinese administration which, with the exception of a few particular things, like the railway system—which is run exceedingly well—has brought the island's standard of living steadily downward. While many of Chen Yi's officials are men of ability and apparently are honest, both in attempting to do their jobs and in keeping themselves free from corruption, the overall picture is one of gloom, with little hope for the Taiwanese people unless Nanking changes its official policy of trying to make the island pay a large share of the civil war expenses and sends down a new administration.

As late as the end of March mainland secret police were still using the excuse of the disturbances during the first two weeks of the month in their looting activities. They were rounding up wealthy Taiwanese and charging them with violations of government economic regulations. In two well-documented cases the charges were proved to have been trumped up and, through the intervention of a foreign company which was involved, the men were released. However, most merely disappear.

Another racket the mainland authorities are still working—a year and a half after the surrender—is squeezing money and property out of wealthy Taiwanese by threatening them with charges of collaboration with the Japanese during the war. This, of course, is one of the most ridiculuous excuses used so far, since after 51 years of occupation how could any Taiwanese be called a collaborator? China's government gave away Taiwan in a treaty signed with Japan and since then the Taiwanese have been Japanese subjects. In fact, they technically are still legal Japanese subjects and will remain such until the peace treaty with Japan is signed.

* * *

UN Trusteeship Sought

THE Taiwanese today are asking for a United Nations trusteeship, preferably under the United States. Of course, they would really like complete independence, but most do not believe they can get it. If they have to remain in their present position, a position of belonging to an Asiatic power, they want the Japs back. The last thing any Taiwanese desires is Chinese supervision.

Obviously Taiwan is geographically and historically a part of China and in the future must remain so. The island's economy is so developed that connection with the mainland could benefit both parties. The only solution is for China, which, unfortunately, does not have a good record in dealing with minority problems, to realize that the 6,000,000 Taiwanese are human beings just like the 400,000,000 mainland Chinese and as such have the same rights in regard to personal dignity, economic prosperity and a say in their own destiny.

The whole matter is now up to China. She has done her best in the short time since Japan's surrender to make herself hated in Taiwan. Good government and common sense, if diligently applied for the next several years, can change this situation.

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World Trade—Or No Trade

By J. R. KAIM

IT has been stated by Edward R. Dewey, formerly chief economic analyst in the U.S. Department of Commerce, that economic development in the United States is nearing its peak and that a general downward trend is to be expected if no new industrial and financial policy alters the picture. The question of an economic policy to save the world will be discussed at the American sponsored World Trade Conference in Geneva. Though it is still too early to forecast the outcome of what is expected to be a decisive conference, some trends are obvious enough.

When American businessmen were requested to explain their ideas on protective customs duties, it appeared that while theoretically in favor of free trade, each was anxious that an exception be made of his own line! In other words, free trade would be fine if his own industry were protected.

Obviously, the questioning of manufacturers and merchants leads nowhere. True, democratic ideals require that the individual be protected and that all government institutions be designed to promote individual liberty. But there is a limit. Failure to understand the ultimate consequences of economic selfishness indicates that the limits of democracy have been reached. Economic mass suicide is not part of a democratic program.

Asia's Demand Down

During the war it was generally anticipated that East Asia would become a great consumer market, and that production of manufactured goods would increase tremendously in this part of the world. What actually has happened, we all know; of the more than 400,000,000 inhabitants of China, only a very small portion consumes and produces on the same scale as before the war. There has been no increase in the production of ores, silk or oils. Nor is consumption of domestic and foreign goods increasing.

Economic life in Japan is still hampered by hundreds of obstacles. Present production of manufactured goods is estimated to aggregate hardly 40 percent of the prewar figure, while consumption is not 25 percent of what it was then.

With fighting in Indonesia, Indo-China, Taiwan and China, the 600,000,000 odd inhabitants of this part of the world have suffered a decrease in the standard of living and rate of production.

Nor are matters much better in Europe. The pauperization of Germany and Austria is one factor. The influence of that pauperization on Dutch and Belgian trade is another. Such great European ports as Antwerp, Rotterdam and Amsterdam formerly depended not so much on the foreign trade of Holland and Belgium but on German exports and imports. On the European continent 80,000,000 persons are now producing but a fraction of prewar production. Consumption of consumer goods in Central Europe has reached a minimum.

700,000,000 Affected

Thus, more than 700,000,000 persons are reduced to the equivalent of less than half their number in purchasing and production power.

To this add the consequences of what may be called Britain's struggle for economic health. Production of consumer goods in England has, in some lines, surpassed prewar figures. Domestic consumption, however, is far behind prewar standards and indications are that there will be no improvement for some time to come.

Britain has her empire preference which is, no doubt, at present a cornerstone in her economic structure, but at the same time it distorts world trade and promotes a kind of economic inbreeding.

Sweden, a neutral country whose industries throve during the war, is now faced with financial difficulties. The Swedish Government, after protracted debates, has cut down consumption of many goods by restricting imports. The American Government has protested, but no protest by another country helps a nation in financial straits such as Sweden's or China's.

Reorganization Urged

The only remedy is the organization of free trade. This is no easy remedy. It is, on the contrary, a bitter, a very bitter pill.

To the layman, free world trade sounds utopian. He may buy, without difficulty, the best the world can produce. He can buy the most famous English suiting, the finest French luxury goods, the most up-to-date American conveniences, without restriction. That pleases him. But it pleases him only if he is not engaged in the manufacture of less wonderful suiting, less attractive luxuries or poorer conveniences. In other words, his views are those expressed by the American businessmen questioned in Washington.

Bitter though the pill may be, it is the only remedy. For, when China recovers, she will need consumers abroad for her products. When Japan recovers she will need raw materials. The Germans, too, will need basic materials, while the Indonesians can buy nothing without a market for their coffee, rubber, sugar and other products. In other words, while at present the world is faced with insufficient purchasing power it may, in the future, be faced with over-production in some lines.

Organizing free world trade does not mean that all barriers will disappear in a day. The disaster of such a course would be terrific. But world trade must be systematized and freed of narrow-minded nationalism. It is ridiculous to be forced to buy inferior domestic substitutes for cheap and plentiful goods which are rendered exorbitant by tariffs. It is ridiculous to produce bad cotton as long as there is a world abundance of good cotton.

Regulation Necessary

To avoid over-production, consumption as well as production must be regulated. Those who need goods must have the purchasing power with which to pay for them. Thus, the most knotty problem with which the Geneva Conference will be faced is how to synchronize world production and world consumption. The problem would be easy, of course, if the world could be forced into so simple a structure as agricultural countries on the one hand and industrial countries on the other. For obvious reasons, however, no such scheme can be mapped out today.

All countries are interested in increasing the demand for their products. All countries are eager to improve the standard of living of their masses. Obviously, these goals cannot be achieved by action on a national basis. By building up her much criticized empire preference system, Britain has shown one solution—if it is a solution—but other methods must be found for other countries. Nothing can be achieved until the 700,000,000 consumer-producers have normalized their production and consumption, and the financial foundations of their countries.

The issue is clear. Either the world comes to economic agreements and a new economic structure, or mankind will be faced by tremendous over-production on the one hand and under-consumption on the other. The consequences are disastrous.

The choice lies with the governments represented at the Geneva Conference. Though the conference cannot be expected to bring about a complete resolution of the problem, it will indicate in which direction world economy is headed. No "muddling through" can, in the long run, help. National blinkers must be removed.

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Who Are China's Liberals And Democrats?

By TSENG YU-HAO, Ph. D.

IN his farewell message to the Chinese, General George C. Marshall insisted that only Chinese liberals under Generalissimo Chiang Kai-shek can save China from impending disaster. Both the radical Communists and reactionary Kuomintang factions were picked out as uncompromising and extremely selfish elements whose policies and activities would eventually ruin China as a political entity.

His failure in his mission as a mediator appears to have convinced General Marshall that he was right.

Taking for granted that the opinion of the now United States Secretary of State is infallible, let us ask who really constitute China's liberals and democrats.

"Liberty, Liberty, how many crimes were committed in thy name?" And the phrase "Chinese Liberals?" Is it coined just for exploitation by those who possess some ulterior aim for making use of such words?

Political Science Clique

Semi-officially we have been informed that America's ruling forces were trying to identify as liberals the members of the so-called Political Science Clique, which is headed by such well-known figures as General Chang Chun, ex-Governor Wu Teh-chen, and Secretary-General Wu Ting-chang. Accordingly, it would seem, the eagerly-awaited US$500,000,000 loan is or is not to be paid when the positions of these "liberals" and their satellites are properly gazetted.

The history of China's Political Science Clique undoubtedly reveals that its members have been most successful and capable in job hunting and job holding enterprises. When the northern militarists many years ago were manipulating Peking politics and the politicians who lived on the proceeds of the then foreign-administered Chinese Maritime Customs and Salt Gabelle, General Li Kan-yuan, one of the original promoters of the Political Science Clique, was able to influence President Li Yuan-hung and took him down to Shanghai for a new maneuver.

Such desertion did not in any way prejudice General Chang Chun, another Political Science Clique leader and today its head man, from joining the great and virtuous northern warlord Wu Pei-fu. Mr. Chang Shih-jau, a really trained political scientist and important member of the Political Science Clique, became the brain trust of Marshal Tuan Chi-jui, a rival of Wu Pei-fu. The Kuomintang in its revolutionary days found among members of the Political Science Clique some of its most bitter enemies. Once Dr. Sun Yat-sen was even implicated in a most serious criminal case in Shanghai's Mixed Court, one engineered by the Political Science Clique to discredit the founder of the Republic. Yet as soon as Generalissimo Chiang Kai-shek reached Peking, General Huang Fu, General Chang Chun and Secretary-General Yang Yung-tai gradually dominated the Kuomintang administrative and military machines until elders of the party set up an independent government in Canton and denounced the Political Science Clique as the cause and source of the party's dissension and disintegration.

Dominated 1936 Election

It is an established fact now that the primary election for the National Assembly in 1936 was more or less dominated by the Political Science Clique whose men then occupied many posts in different provinces. It was even once rumored that Yang Yung-tai was assassinated because the opposition groups were afraid that he might put up Li Kan-yuan as the President of the Republic.

Incidentally, the 1936 primary election was conducted when pro-Anglo-American political idealists were being persecuted most severely.

Members of the Political Science Clique were all-powerful when the generally known pro-Japanese leaders—Wang Ching-wei and Ho Ying-chin—were almighty.

Governor Chen Yi of Taiwan was for years regarded as a member of the Political Science Clique, as he was accepted as a most pronouncedly pro-Japanese leader.

The Generalissimo's brothers-in-law, Drs. T. V. Soong and H. H. Kung, were American-trained. They speak the American language and subscribe to the American motto that business is business. Nevertheless, few would now consider them as liberals.

Dr. Sun's Legacy

Sun Fo, Dr. Sun Yat-sen's son, was long taken as a liberal leader. He gathered around him many returned students who would write what Thomas Paine and Thomas Jefferson would have spoken.

Madame Sun Yat-sen is perhaps one of the very few who would not forget her late husband's ideals. She, like her stepson, is not a liberal persona grata because she thinks her late husband's legacy calls for befriending of the Soviets, cooperating with the Reds and protecting the interests of farmers and workers.

Besides these personalities who otherwise can be labeled as the Kuomintang liberals are two outstanding retired warriors, Marshal Li Chi-sen and General Tsai Ting-kai.

Marshal Li Chi-sen's seniority in the Kuomintang rank and file is second only to Generalissimo Chiang Kai-shek. Marshal Li was more or less anti-Bolshevik when the Generalissimo was described in Hongkong's English papers and periodicals in other parts of the world as "nothing but a Red." Marshal Li at one time was imprisoned by the Generalissimo, who feared his rivalry. Li was chairman of the short-lived People's Government at Foochow, which first advocated the inclusion of other parties. Li also was the leader of the anti-Japanese guerrillas in South China who were one of the few forces that kept China's defeatists from making a separate peace with Japan.

Now Marshal Li, publishing his "opinions on the current situation in China" (*China Mail*, March 14, 1947), demands the release of political prisoners, including the Anglo-Saxon trained Professor Fei Kung, and enforcement of a bill of rights not excluding the abolition of the Gestapo-like secret services.

But Marshal Li frankly holds Generalissimo Chiang responsible for all of China's ills. To quote his words: "To be perfectly just and fair, Chairman Chiang Kai-shek ought to be made responsible for having brought China to her present plight."

As such, Marshal Li may not be a liberal according to General Marshall's definition of China's liberals.

Then Generalissimo Chiang will have to turn to outsiders to recruit liberals in order to satisfy Washington and Wall Street.

Social Democrats

First, there are the Social Democrats. Dr. Carson Chang was never inconsistent in his political theories and conviction. For years he taught and published representative government and a bill of rights. He was put under order of arrest by the Kuomintang for his propagation of democratic principles. The Social Democrats under Dr. Chang ought therefore to claim a slice of the democratic pie cooked in the United States. With Dr. Chang, there are many remnants of Kang Yu-wei's loyalists who believed in the divinity and omnipotence of the Son of Heaven. Dr. Chang and the Social Democrats should then be received as China's liberals according to General Marshall's views.

Then there is the Youth Party, which was originally organized as a copy of the Fascist and anti-Comintern group in China. Its leaders, however, were persecuted even after the Kuomintang purged itself of the Bolsheviks. As pioneers in China's holy war against the Communists, members of the Youth Party may also be made liberals according to General Marshall's policy.

Professor Owen Lattimore, recently commenting on the English translation of Generalissimo Chiang's China's Destiny, which has often been criticized as the Chinese edition of Hitler's Mein Kampf, asserted that Professor Chang Hi-ju (of Peking National University) is a good liberal. It should be remembered that Professor Chang announced in Kunming that it was an insult to call him a Kuomintang member. He, Professor Chang, ought to be

Can China Be United By Force? War Position Likened To Japs'

By CHEN FU-SHENG (陳福生)

WITH heavy fighting now taking place in North China and elsewhere, it may seem untimely to talk of peace. However, the problem of whether China can be united by force is worthy of consideration.

To begin with, let us view the problem from the military angle. The military strength of both sides is considerable. Each side has scored victories and suffered reverses. It is well-nigh impossible for either party to suppress the other within a short time; very likely, fighting will go on for some time.

Compared To Jap Position

To some observers, the military position of the Nationalists seems similar to that held by the Japanese during the war of resistance. The Japanese occupied many an important Chinese city and won many a battle, yet they could not win the war; the Chinese held the hinterland. In my opinion, the Nationalist troops could rout many a Communist division and could wrest from the Communists many of their positions, but they could not wipe them out. The civil war in all probability will last for months, or rather years. In prewar days the campaign for the suppression of the Communists went on for several years in Kiangsi and other provinces; yet the historic march of the ill-fed and ill-equipped Communists from the southeast to the northwest is still regarded as a miracle.

Likewise, the Communist forces can inflict casualties on Nationalist troops but cannot annihilate them. They can so harass the Nationalists that they might become a threat to the National Government, yet they cannot, by military gains, alter the fact that the National Government is the legal government, nor can they ever unite China. China is not fertile soil for the Soviet order of things.

Historical Considerations

In modern times, China has not been united by force for any length of time. The military dictatorship of Yuan Shih-kai, first President of the Chinese Republic, soon died out. Subsequently warlords Wu Pei-fu, Chang Tso-lin, etc., all vainly attempted to unify China by force. In 1925-26 the Northern Expeditionary Force under Generalissimo Chiang marched from Kwangtung. In many places it met little or no opposition. Its success was attributable more to the triumph of the revolutionary cause and the people's antipathy to the old military regime, than to military strength. China was then united under the banner of Nationalism for which the Expeditionary Force fought.

In ancient history one finds that the first emperor of the Chin Dynasty did unify China by force, but that unification was very short-lived. Towards the end of the Chin Dynasty the most powerful warlord, dictator of the State of Chu, could not, despite his military prowess, bring about unification, which had to wait until Emperor Kao Tsu of the Han Dynasty effected it by polical means.

Economic Considerations

China cannot afford to continue internal warfare. Her eight-year resistance campaign has laid waste many towns and villages, impoverished the people and paralyzed the economic system. The Chinese people did not complain of their suffering during the war; they comforted themselves with hopes of a day of alleviation. To their utter dismay, victory brought neither political tranquility nor economic stability, but civil strife.

The Chinese national currency has shrunk to almost nothing in value. The cost of living soars higher and higher. Most rural communities have gone bankrupt; the purchasing power of the rural population has considerably diminished; this in turn adversely affects urban economy. With the exception of the privileged few who have profited from the war, who through misuse of power or misappropriation of public funds have fleeced the masses, the majority of the Chinese people are struggling desperately on the brink of starvation.

The overwhelming military expenses are the last straw on the camel's back. Long before "unification by force" is within sight the economic system, I am afraid, will have collapsed. This belief is generally held.

No Abdication Or Intervention

There is a universal clamor for peace. However, the door to peace talks appears to have been shut, as pointed out by Gen. Marshall, by the military faction in the National Government, which believes in force, and by the stubbornness of the Communists who insist on acceptance of their unreasonable demands.

At this juncture the problem naturally arises, now that talk of peace is impossible and resort to force inadvisable, what course should be taken to solve China's problem? Shall it be intervention by Western Powers? To this I reply NO and again NO! China should be left to solve her own problems by herself. It would be a gross injustice for Western powers to intervene in her internal affairs. China has become one of the world powers since World War II.

Shall the Nationalist Government depose itself in favor of third parties? To this I also reply NO. The basis of the Nationalist Government, it is hoped, will be broadened so as to include other important parties and establish a democratic form of government, but the confusion will be worse confounded if the Nationalists abdicate in favor of third parties now.

Hopes Of Peace

Personally, I am not so pessimistic about peace as are some; though the situation appear hopeless, I still hope. National affairs have come to such a pass, that all Chinese, irrespective of party, creed or profession, should follow their consciences, should place national interests above personal or individual interests and should strive for the attainment of the greatest good of the greatest number of people.

Peace is much valued, not by the Chinese alone, but by the well-wishers of China. Without peace in China there can be no peace in the Far East. The present internal strife might develop to disturb world peace. To stake national welfare, and national resources on a big gamble, hoping for ill-gotten gains for one party, is an action that will never be tolerated by the people.

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eliminated as a liberal in General Marshall's classification.

Then there are Dr. Hu Shih and Dr. Wang Chung-hui, whose training and beliefs are no doubt liberal in character. Dr. Wang has been most successful in taking and keeping office. He does not have to wait until General Marshall has his way. Professor Hu Shih has got along very well in the field of officialdom, having been China's ambassador to the United States and now being Chancellor of the National Peking University.

1913 Reorganization Loan

If and when the Generalissimo reorganizes his National Government by incorporating such "liberal" elements as described above, it is reasonably certain that General Marshall and President Truman can satisfy their American taxpayers and the critics of their China policy.

Then the loan of US$500,000,000 may be advanced, like the Reorganization Loan of 1913, for crushing the rebellion under the camouflage of reorganizing the administration.

It may take another generation to scrutinize the merits and demerits of this half-billion gold dollar loan, as a generation has passed for historians to reckon with the wisdom of the Reorganization Loan of 1913.

The China Textile Development Company remitted as much as CNC$57,000,000,000 to the National Treasury during 1946, the *Tieh Pao* reports. The total profits for the company for last year amounted CNC$1,000,000,000,000, representing a little over 10 percent of the national budget for 1947. If the mills of this company are sold, the government would receive a total of CNC$3,000,000,000,000 which will be sufficient to meet the expenditures of the Government for more than two months.

Tyrannical Warlords Still Rule Provinces Of Ninghsia, Chinghai

By C. Y. W. MENG

(EDITOR'S NOTE:—This is the last of a series of articles on four of the provincial administrations in China.)

GENERAL Ma Hung-kwei has been the governor of Ninghsia Province for 15 long years. The record of his administration may well be summarized in a few words: "The Government officials are too rich while the people in the province are impoverished."

Under the pretext of reconstructing the capital city of Ninghsia, many mow of private land were requisitioned and many houses and shops were demolished—and many have become the property of the Ma family. Before the "reconstruction" was started, as a matter of formality, a blueprint was drawn up, and the local people were duly notified that they must reconstruct their buildings in a specified manner, and within a certain period of time. But the fact was that the people, who were already leading a hand-to-mouth existence, could furnish hardly any funds for reconstruction.

When the limit expired, without further notification, the occupants were evicted, and demolition and construction work began at once, thus depriving many people of jobs as well as leaving them without shelter. Although nominal compensation for the lands, houses and shops was paid, it was pointed out by some observers that the payment was so small that it barely covered a fraction of the price of the property.

Rule Tyrannical

In memory of General Ma Hung-kwei's deceased father, for example, the palace-like Yun Ting Memorial Hall (named after Ma's father), was built in the center of the capital city of Ninghsia. This hall occupies no less than 100 mow of land, all acquired through official seizures of land and demolition of privately-owned houses and shops. When construction was completed, the poor people who had made bitter sacrifices and contributed labor to its construction, were not even permitted to visit the hall. The area is now virtually a miniature "Forbidden City" in Ninghsia's capital.

This tyrannical ruler of Ninghsia was reported to have buried alive a middle school teacher of geography —Ho Tze-chen—for going to Tingyuan to study the arts. Another school teacher—Li Kuo-ching—was executed by Ma's order because Li's writings were not favorable to the provincial administration. The latest case of this kind is the arrest of Lo Chi-ling, a Ninghsia delegate to the National Assembly, who was accused on two counts—"disturbances against the security of the State" and "defamation of General Ma Hung-kwei."

The full story of the Lo Chi-ling case is this:

In 1940, Lo was summoned to attend the Central Training Institute in Chungking. Under the regulations, a trainee had to report the present state of affairs in the province from which he came. In his report on Ninghsia, Lo disclosed in detail the corruption of General Ma Hung-kwei—how he promoted opium cultivation and trade, the many irregularities in conscription, etc.

Lo Exiled

Lo's report came to the notice of Chao Wen-fu, private secretary to General Ma Hung-kwei, who was also attending the training classes. Losing no time, Chao sent a report to the Ninghsia governor. For seven years, Lo was forced to remain in exile outside of Ninghsia, while all 11 members of his family in Ninghsia were arrested and detained by the order of General Ma Hung-kwei.

When the National Assembly was about to be convened, Lo, being one of the 12 delegates from Ninghsia Province, went to Nanking. In an urgent telegram, General Ma Hung-kwei informed the Central Government that "Lo had once visited Yenan (then the Chinese communists' capital)." Hearing this, the Central Government deprived Lo of his rights as a N.A. delegate. But when Lo addressed a personal letter of appeal to President Chiang Kai-shek, in which he produced evidence to show his loyalty to the Kuomintang, he was restored to his former status.

Arrested As Traitor

Nevertheless, Lo was arrested three days after the closing of the National Assembly, and imprisoned in Nanking with many other "traitors" who were awaiting trial. According to the current report, the District Court in Nanking made this arrest on instructions from the Higher Court in Ninghsia. Apparently, in the eyes of General Ma Hung-kwei a trip to Yenan constitutes "disturbances against the security of the State," and to make a true report on provincial administration is "a defamation of General Ma Hung-kwei." Further, in his interpretation of jurisprudence, to hold a family of 11 persons for years as a hostage, is a right and civilized act.

* * *

One Of China's Wealthiest

General Ma Pu-hsiang has been the Governor of Chinghai for more than 10 years also. His record of administration is precisely the same as the other three governors whose deeds and misdeeds have been detailed in this series of articles, in so far as "The Government officials are too rich while the people in the province are impoverished." This Governor now owns 60 percent of all property in the whole province! He is indeed one of the richest men in China.

A visitor to Sining, capital city of Chinghai, may see a few modern style buildings, but upon inquiry he will find that the occupants of these buildings are "Government officials only." One hydro-electric power plant, completed in October 1946, is now supplying light solely to government buildings, officials residences and big merchants' houses, while the people in the slums cannot even afford to use vegetable oil at night.

In Sining, visitors may also see the Wang Chung Trading Company, Kung Lang Hotel, Wang Chung Building and Wang Kwang Moving Picture Theater, and comparing these buildings with the many dilapidated shelters and huts along the narrow roads, visitors will gain the impression that Chinghai is now in two different centuries—government officials and big merchants live in the 20th century while the masses are still in the 16th or 17th century.

Economic Monopoly

The Wang Chung Trading Company is really General Ma Pu-hsiang's private company—a monopolistic organ which controls all economic activities in the province. It deals with the exportation of hides and skins, herbal medicines, lumber, foods, salt and other products, through buying from the people at a low price, and exporting these goods at a far higher figure.

As General Ma Pu-hsiang virtually considers "Chinghai is mine," he does not welcome outside visitors and merchants. Those who come to the province for investigation purposes are liable to be placed under surveillance or even found to be "missing."

Last year, the Kingcheng Banking Corporation in Shanghai sent some men to start an animal husbandry station in Chinghai. But to General Ma Pu-hsiang, this was in deliberate competition with his own animal husbandry station in the province. So his soldiers at once visited the station operated by the bank and one of the employees was arrested and detained for three days.

Dismissal Demanded

But today, in the name of 14 hsien, 29 Mongolian Leagues, 46 peoples in the Yuchu district, 71 peoples in the Kwanhaiho district, and 2,000,000 Chinese (including Mohammedans, Mongolians and Tibetans) in Chinghai, the people demand the dismissal and punishment of General Ma Pu-hsiang, because he is a "militarist of the feudalist type, who owns and maintains private armies ....who owns a large portion of the province's wealth .... who monopolizes the economic activities in the province, etc."

In these three articles I have briefly described four of the most

monstrous and power-maddened provincial governors in the world, who are still in office in China today. Each of them has been the governor of his province for between 15 and 20 years, and in the case of General Yen Hsi-shan for over 35 years—a period which should have been long enough for him to bring about a total reconstruction of the province, politically, economically and socially, had he inaugurated a more enlightened administration, instead of pursuing what may be called his "Enslavement and Opium Policy", the result being that "The Government officials are too rich, while the people in the province are impoverished."

Every one of these four provincial governors is now virtually the "Native King" in his province. Every one of them continually blocks the entry of the central army and officials to the province, and is doing what he can to keep his present position secure and hereditary by joining one powerful party or clique after another. When the Chinese Communists began their famous "Long March" in 1934, from Kiangsi in the East to Northern Shensi in the North, and were threatening to cross the Yellow River towards Shansi, President Chiang Kai-shek was reported to have wired to General Yen Hsi-shan offering to send the central army to his rescue. But this offer was rejected, because the General dreaded the entry of the central army as much as he dreaded the Communist army.

Similarly, during the war years, the Central Government was reported to have instructed General Liu Wen-hui, Governor of Sikang, to send his 24th Division to the front. But he refused to obey this order on the grounds that "this border province needs an army to defend itself."

Feudal Warlords

Shansi is traditionally a strategic province in North China, while Sikang, Ninghsia and Chinghai long have been known for their frequent outbreaks of racial differences and conflicts. But the tragedy lies in the fact that these important provinces have been governed for years by the most incompetent and corrupt governors, medieval, feudal warlords, tyrannical rulers and great opium vendors. It is no wonder that there is no peace in these provinces, and that there have been "People's Rebellions" everywhere. The same explanation may also be applied to the the present situation in Sinkiang and Taiwan.

Turning to the Central Government, it is equally deplorable to note that its policy has always been essentially one of preserving the "status quo." According to a critic, the Central Government has supported General Ma Hung-kwei, Governor of Ninghsia, and General Ma Pu-hsiang, Governor of Chinghai, obviously because these provinces are near the Communist occupied areas in North Shensi, and the "Ma Army" is the vanguard in attacks against the Chinese Communists.

To support—and rely upon—such corrupt, feudal, warlord governors, in defending the provinces against communism is sheer childishness and gross blundering. The existence of such a corrupt and feudalistic regime in the province offers a very good opportunity for the ingress of communism in these areas, and this is what the communists have been anticipating.

Changes Strongly Opposed

Lastly, "China must change or die," said Theodore H. White and Annalee Jacoby, authors of the famous book, "Thunder Out Of China." Yes, we should say China *is changing*, as evidenced by the presentation of many demands, and the frequent "People's Rebellions" even among the natives and aborigines in remote corners of the provinces. The masses of the Chinese people prefer to adopt the new, but not—decidedly not—to die with the old. The Chinese common people are most eager for change—sweeping changes in our government, in our way of life, in our institutions—political, economic and social—and in our environment.

Unfortunately, the force against such changes is still powerful in this country. Therefore, when China will have peace depends upon when this change will take place, when these feudal warlords and opium-vending governors, headed by Yen Hsi-shan, Liu Wen-hui, Ma Hung-kwei and Ma Pu-hsiang, will be ousted, and when the administration, central as well as provincial, will be staffed with more "men who believe in their century" and "men who serve their nation and time."

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Agrarian Evolution Being Pushed With Shaoyang As First Center

By DICK WILSON

(Special to The China Weekly Review)

EIGHTY-FIVE percent of the Chinese people are farmers who are hard to convince that what was good enough for their fathers is not good enough for them.

Rome was not built in a day, and the Chinese people cannot be weaned overnight from centuries-old customs to modern-day methods.

But CNRRA is speeding up China's agrarian evolution.

One of the most ambitious, long-range projects aimed at converting China's working people to modern methods is CNRRA's Agricultural Industries Service. By experimenting, demonstrating and training students in the operation of small-scale agricultural factories, AIS is strengthening this vital link between the land and the consumer.

Demonstration & Experiment

Outside the Hunanese town of Shaoyang, a number of demonstration and experimental plants are operating and others are nearing completion. It is the hope and belief of CNRRA that the methods employed in those modern plants—methods improved by constant experimentation and taught to students or small-plant operators—will spread throughout China and one day replace present out-moded shop systems.

CNRRA spent CNC$500,000,000 in launching the AIS program during 1946, CNC$365,000,000 of the total going for the construction of the Shaoyang plants. More will be spent in 1947.

But if the students and plant operators who acquire modern-day industrial "know how" at Shaoyang can spread their knowledge afield, acting as Twentieth Century industrial missionaries, the benefits to China's Hundred Names will repay the cost of AIS a thousandfold.

Word-of-mouth advertising and example will help the spread of "the Shaoyang method" to areas where war has crippled small industries, but AIS is not depending solely on its graduate missionaries.

As methods are tried and proved, or experiments in new methods succeed, the knowledge gleaned from Shaoyang's operation and experimentation will be made available to all of China's small-plant operators through distribution of pamphlets, textbooks and instruction sheets.

Wide Range Of Plants

Virtually all of the industries which depend on the farmer, and on which the farmer depends, will be represented at Shaoyang by the end of June, when the last plant is expected to be completed.

Experimentation, demonstration and training now are being carried out in plants making sulphuric acid, fertilizer and water supply equipment, as well as a machine shop for manufacturing and repairing farm tools and small machines.

By May, plants for iron-melting, cement-making and the manufacture of insectides, coke and such machines as rock-crushers will be in operation. By June, a leather-making department and plants for rice-milling and oil-pressing should be in full swing.

Skilled foreign technical advisors, using methods first evolved in bringing modern advances to relatively backward South American countries, have designed and supervised the building of the Shaoyang demonstration plants and are training college and high school students in plant operation.

Adapted To China

The plants, they explain, are not intended to be the most modern or the largest scale factories of their kind. Such a sharp transition from the old to the new would be too revolutionary and premature for rapid adoption by China's small-plant operators.

The model plants, and the methods demonstrated and taught in them, are intended to be midway between the old handcraft and the latest industrial system.

The Shaoyang plants are intended to serve as models for thousands of small-scale agricultural factories that will serve their particular localities, depending on local produce for all but a few imported machines and pieces of equipment needed to establish the plants.

Like the traditional Chinese family and village system of community living and community government, the plants are designed to be as self-sufficient as possible, serving the farmers of the community instead of exporting products to other hsien. Founders of AIS feel it would contribute more to a healthy economy if there were a number of small plants serving hsien than a few large plants serving provinces.

Program Coordinated

The AIS program is expected to be coordinated closely with the UNRRA-CNRRA Farm Shop Program, which calls for the establishment of a central plant, in Shanghai, 18 provincial plants and 3,000 blacksmith shops for the manufacture and repair of farming implements. Mutual aid by the small-scale plants and the Farm Shop implement plants will enable both types to serve the farmers of the regions more effectively.

The AIS program is three-fold, calling for experimentation, demonstration and teaching.

In the experimental field, considerable work is being done to convert the methods that worked so well in South America to serve local conditions in China. When the "kinks" are worked out, latest information will be compiled and printed to enable the construction, or the more efficient operation, of small plants throughout the nation.

By demonstration of efficient plant methods, AIS hopes to aid local plant owners improve efficiency and increase the quality and quantity of their production, thereby aiding both the farmer and the consumer.

Students Being Trained

Through training, AIS' immediate goal is to turn out 100 college graduates as skilled industrial technicians, and 50 high school graduates as assistant technicians, to staff small plants and spread operational knowledge. Thirty-eight students already have been trained at Shaoyang and more are being recruited for this industrial missionary work.

AIS is the brain child of Harry G. Clement, who came to Chungking from Washington, D.C. at the end of 1945 with Luther R. Ray and Peter Oths to explore the possibility of establishing the same type of program they had pioneered in South America. K. T. Chiang was selected as chief of AIS in China and Y. T. Tsao as liaison representative at CNRRA Headquarters.

On July 20, 1946, the first consignment of CNRRA construction materials arrived at Shaoyang after a long river and road journey, and the first of the plants began springing up. Living and working quarters, including four dormitories, messhall, office building, guards' house, a large godown, a machine shop and foundry, a chemical laboratory and a 400-meter road were built.

Experts On Job

A number of foreigners, UNRRA program personnel assigned to AIS, supervised the construction of the plants. The sulphuric acid plant, with a monthly quota of nearly 60,000 pounds, and the iron-melting plant were put under the direction of Ray, Carl D. Goderez, Robert F. Brown and Guy M. Benham. Ray also is pushing the leather-making plant to completion.

Ralph Stone is in charge of fertilizer manufacturing and water supply construction; Silvio Ronzone and John A. Welbourn are supervising the rice-milling and oil-pressing plants, whose construction is temporarily slowed by shortage of brick. W. E. McClarney and Frank H. Egerer are in charge of the machine shop, which consists of a power plant, an iron foundry and a fabricating shop. The iron room is capable of producing 800 to 1,000 pounds of refined iron daily.

The foreign technicians point out that the Shaoyang model plants, like the small-scale plants expected to follow their example, are designed to serve the needs of the people of the locality, so high output is not sought. Production schedules at Shaoyang are geared to the consumption of the population of Shaoyang hsien.

Hope For China Network

Harry G. Clement, back in China for an inspection of the work at Shaoyang, will join with CNRRA

Domestic Loan Measure Welcomed Here; Commodities Still Falling

THE most important development in the financial market during the week under review was the decision of the Central Government to issue Treasury Notes and Bonds to the amount of US$400,000,000, as of April 1. The purpose of this issue is to absorb large sums of idle capital in the form of gold bars and foreign currency notes, so as to assist the government in improving financial conditions in general. The measure was favorably recevied by Shanghai's financial and business circles, who believe that the issuance of these treasury notes and bonds will slow down the inflation and provide an outlet for the large sums of idle capital in town.

The fact that the Government has agreed to accept one ounce of gold for the purchase of US$50 of these treasury notes or bonds indicates clearly the desire of the Government to absorb the gold holdings of the people. According to the present official rate, one ounce of gold can only buy US$40 worth of treasury notes and bonds. This decision on the part of the authorities is tantamount to an increase of the official price of gold from CNC$480,000 to CNC$600,000 per ounce. As a matter of fact, this ruling has given rise to the rumor that the foreign exchange rate would be further increased. This, however, has been emphatically denied by the authorities.

Quotations Drop

Issuance of the treasury notes and bonds in U.S. currency initially had little reaction in the Shanghai Securities Exchange. However, when operators realized that the issuance of these notes would cause a tight money situation, big operators commenced to sell and quotations dropped. As these notes have not yet been issued and the money situation has hardly changed, quotations in the Shanghai Securities Exchange rose a little following the holiday of March 29, but the total turnover in the exchange has shrunk.

As there is no outlet for large sums of idle capital and as business in stocks and shares is not very good, the black market interest rate has dropped to 12 and even 10 percent. It was probably also for this reason that quotations of foreign stocks and shares climbed sharply during the week when it was reported that shares of foreign companies in Shanghai would be traded in the Hongkong Stock Exchange.

Prices Still Falling

In the commodity markets, prices continued the downward trend, although cereals, edible oil, cotton yarn and cotton cloth remained firm. The official prices for cotton yarn to be sold by the cotton mills, and the ceiling prices for trading in the yarn market have been readjusted by the authorities as follows:

Prices Of Yarn To Be Sold By Cotton Mills.

	CNC$
10's	2,575,000
16's	3,521,000
20's	3,700,000
32's	5,441,000
40's	6,918,000
42's	7,249,000

Ceiling Prices Of Yarn For Market Trading.

	CNC$
10's	2,703,750
16's	3,413,550
20's	3,885,000
32's	5,713,500
40's	7,263,900
42's	7,611,450

In an attempt to stabilize commodity prices, the authorities have rejected the petitions of public utilities for an increase of their rates. In order to make it possible for these public utilities to carry on, the authorities have decided to grant them a total of CNC$135,000,000,000 to cover losses in March, of which CNC$80,000,000,000 is to be given the railways, waterways, highways, postal service and telegraph service operated by the Ministry of Communications; CNC$19,000,000,000 the Fuel Control Commission; CNC$15,-100,000,000 the waterworks, tramways, buses, telephone companies, gas companies and the city ferry service in Shanghai; and CNC$3,000,-000,000 public utilities in Nanking.

Wage Bonus Same

The Bureau of Social Affairs on March 31 announced that the subsidy to be given the workers in addition to their wages according to the cost of living index of January will be CNC$73,000 for the month of March, showing no increase when compared with February.

The following table gives the quotations of some leading commodities in Shanghai during the past week:

	March 22 CNC$	March 28 CNC$
Bond C	10,500	14,200
Wing On Textile	2,290	2,240
Mayar Silk	6,200	7,200
Ewo Cotton	16,000	24,100
Rice	110,000	108,000
Wheat Flour	51,000	51,000
Peanut oil	290,000	313,000
20's yarn	3,420,000	3,440,000
12 lb. Cloth	157,000	155,000
Raw silk	6,900,000	7,200,000
Artificial silk	6,400,000	6,150,000
Ruby Queen cigarettes	35,500	38,200
KB soap	208,000	197,000
My Dear matches	1,360,000	1,350,000
Newsprint	97,000	96,000

The *Shun Pao* reports that as much as 74 percent of China's total exports are controlled by Government enterprises, as the National Resources Commission is exporting China's minerals, while the Central Trust is exporting China's soyabeans, and the China Vegetable Oil Company is selling China's tung oil abroad. Exporters are suggesting that a joint export company be organized by private interests for the export of agricultural products, rugs, handicrafts and others.

* * *

The Postal Administration has announced that in order to expedite the sorting of mail matter, a system of postal delivery zones has been introduced by the Post Office. Under the new system, Shanghai is divided into 18 postal delivery zones, viz., 0, 1, 4, 5, 9, 11, 12, 13, 16, 17, 18, 19, 20, 21 23, 27 and 30. The public is asked to cooperate with the Post Office and mark the zone number after the place of destination of both the sender and addressee, when addressing envelopes.

and UNRRA officials in mapping an overall program for the development and continuation of AIS in China. It is expected that a more permanent organization will be established to take over the functions of AIS when the UNRRA-CNRRA relief and rehabilitation program comes to an end.

AIS' missionary work is just starting. Many converts will have to be won. But foreign and Chinese technicians and workers now cooperating at Shaoyang are confident that one day the seed that is being planted in Hunan will grow throughout China.

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NEWS OF THE WEEK

Gov. Reorganization Held Up By Differences Of Viewpoint

MARCH 31, the date when the Government was to have been finally reorganized, passed without any significant event in the sphere of the "broadening" of its base. It was said that the Democratic Socialists were pressing the Government for implementation of their conditions prior to their entry into the Government. A Young China Party spokesman declared in Nanking that while his party was decided on participation, the names of the delegates would not be announced for some time.

The differences centered around the implementation of reforms in local party and government affairs. The *Chung Hwa Shih Pao*, the Young China Party organ, writing on the conclusion of political tutelage and the reorganization of the Government, said that before any "broadening" takes place, the three parties (KMT, Democratic Socialists and Young China) should "in a spirit of sincerity and frankness," adopt reforms and decide on a definite period for their implementation. The paper pointed out that if differences of opinion should by chance arise *after* the two minority parties entered the Government, "it will be very unfortunate."

The paper further voiced the fear that the imminent "reorganization" may become "the organization of a coalition bureaucratic government," designed to carry on a joint political tutelage without "regard for the interests of the country and the people."

The solution of the Communist "problem" was also an apple of some discord. Article 3 of the Joint Administration Program adopted by the three parties stipulates that the Red issue be settled by political means, but also adds that this problem will be settled *as soon as* the Communists lay down their arms."

Liang Shou-ming, Democratic League leader, addressed an open letter to the two parties asking for elucidation of this point and the exact agreement reached between the KMT and the two parties. Carson Chang, Chairman of the Democratic Socialist party, answered Liang and expressed the hope that one-party rule will come to an early end in China. He then added: "President Chiang Kai-shek told me in person that the Central authorities would be willing to use political means to settle the CP issue if the CP is willing to talk about peace and if the communications along the main railway lines are resumed...."

Premier Chang Chun?

REPORTS from Nanking said that General Chang Chun, former governor of Szechuen, and leader of the so-called Political Science Group, is to be China's next premier. According to these reports, Wong Wen-hao is to remain vice-president of the Executive Yuan, Dr. Sun Fo will retain his position of President of the Legislative Yuan, while Wu Ting-chang, also of the Political Science Group, may become the next Finance Minister.

The only "outsider" rumored to a high post was Dr. Carson Chang, who may replace of Dr. Sun Fo.

If these rumors are correct, the Political Science Group appears to have secured for itself a dominant position in the future government.

Beginning Or End?

COMMENT on the fall of Yenan voiced by Government circles, such as General Chen Cheng's statement that the Government will end the war "in the shortest possible period"—estimated at three months — emphasized the "decisive" effect of the capture of the Red capital and the beginning of the end for the Chinese Communists.

Chinese Communist comment on the fall of their capital interpreted the event as being only the end of the beginning of the civil war, which, according to them, will now start in earnest.

Here, in brief, is the Communist analysis of the situation after the fall of Yenan, broadcast from somewhere in North Shensi:

"Attack on Yenan has opened new battlefields....After occupation of the city, the difficulties of Hu Tsung-nan's troops are only beginning. The attack has bogged down more of the KMT's striking forces... Thirteen American-equipped divisions were thrown into the atttack.. Chiang will feel acutely the lack of forces elsewhere....After coming in, it is no longer possible to retreat. If they advance further, they will be further bogged down..."

The Government's claim to have inflicted 10,000 casualties on the Reds in the capture of the city was termed "ridiculous" by the North Shensi newscast. On the other hand, it claimed that the Communists inflicted 5,000 casualties on KMT troops and killed Brigade Commander Ho Chi.

These two entirely contradictory reports did not permit the drawing of an accurate picture of what had actually occurred in Yenan, and to what extent its capture served to bring nearer the end of the civil war, if at all.

On the question of war booty in Yenan, both sides were agreed that the Communists had destroyed and removed everything of value to the invading troops. The *Sin Wan Pao*, local CC organ, said that the "world famous Yenchang oil fields were completely destroyed by CP troops." The fields yielded up to 5,000 gallons of oil daily under Communist operation and the paper said it will take six months to restore this output.

The fighting continued around Yenan, with Government troops reportedly capturing Tsingchien, 50 miles northwest of Yenan, the most northerly advance of KMT troops in that direction.

In Shantung, Taian, the main railway city was besieged by Nationalist forces, with *UP* reporting that Red troops "were fleeing to the mountains from their stronghold, 35 miles south of Tsinan." The capture of Taian by KMT troops would mean their control over another section of the Tientsin-Pukow railroad.

There was considerable tension in Tsingtao as Red forces were massed

China To Take Over Dairen

FOREIGN Office spokesman Chang Yuan-zang revealed that Foreign Minister Wang Shih-chieh advised Soviet Ambassador Appolon Petroff that the Chinese Government has decided to take over the administration of Dairen and Port Arthur in the immediate future. He added that China will fulfill all her obligations and exercise her full rights in strict accordance with the provisions of the Sino-Soviet treaty of 1945, *AFP* reported from Nanking. Previously *Tass* reported that the Soviet envoy had asked the Chinese Foreign Office to effect the take over as early as December 1946, and again on March 7, 1947.

FROM THE OUTSIDE LOOKING IN

"Gentlemen! Gentlemen! It appears the interpreter mistranslated an idiom!"
Gek in Dublin Opinion

at Tsimo, Pingtu and Weihsien, *AP* reported. Reports arriving from Chefoo, however, indicate that the port shows no signs of nearby fighting and production is in full swing.

The Honan civil war front revived after more than a month of inactivity. Communist General Liu Po-cheng, who was earlier reported "crushed" and his forces annihilated, "let loose another offensive.... throwing an estimated 120,000 troops into the fight," according to *Central News*, which termed the situation "grave."

Considerable guerrilla activities were reported by the *Wen Wei Pao*, from North Kiangsu, where officially no military operations have been going on for some time. The paper said that "wounded soldiers are pouring into Shanghai, from Chinwangtao, Tientsin, Lienyuenkang and North Kiangsu."

Habeas Corpus, etc.

LIEUT.-GENERAL Hsuan Ti-wu, Chief of Police, officially announced that the police "should be responsible for investigation of cases" when persons disappear in the city. He charged that the disappearance of persons is a "nonfulfilment of duty on the part of the police," and added that police quarters must try to discover the fate or whereabouts of the victims or the chiefs of the police branches concerned would be removed.

The *Wen Wei Pao*, consistent critic of the Government civil liberties, habeas corpus, freedoms of press and assembly policies, commented:

"If, while those who are responsible for investigating the cases are doing the investigating, those who arrest people continue to do so, it will involve a great deal of additional work for the police bureaus and the residents will not receive actual protection."

There was apparently a gap somewhere between the announced freedom of the press and assembly and its actual implementation in such places as Foochow. The *Ta Kung Pao* reported emergency measures in the city. After a group of military officers wrecked the editorial and printing offices of the Foochow *Min Chu Pao (Democratic Daily)*, inflicting losses to the extent of CNC$200,000,000, the authorities announced:

"It has been reported that of late treacherous elements were trying to take advantage of opportunities to create incidents and disturbances, to hold mass gatherings in public places, even boldly shouting anti-Government slogans, putting up reactionary *(sic)* posters, and everywhere instigating uprisings and arousing restlessness and panic among the people."

The authorities then advised the public not to engage in a number of activities, among them the holding of parades or gatherings without Government approval and the staging of strikes "under any pretext."

In Chungking, according to the independent *Ta Kung Pao*, the Ministry of Interior, banned a number of periodicals. Among them: *Masses Semi-Monthly, New Culture, Free World, The Tide of Democracy, Freedom, Youth's Knowledge, and Chinese Rural Community.*

An unprecedented students' strike was in progress this week at Shanghai University after the authorities had dismissed a freshman and then refused to accept the students' demand to abolish control of the student body. The students boycotted classes, but continued their studies in the libraries and dormitories.

Welfare

China's various complex problems were aptly summed up by China's First Lady, Madame Chiang Kai-shek, when she attended the final session of the UNRRA-CNRRA Social Welfare Conference last week.

"I feel that the greatest task in front of us for the present is how we are going to better social conditions so that our people will be able to contribute to the world what they had been able to contribute in the past," Madame Chiang stated in her address. She also stressed that "a great humanitarian is not one who considers the people as masses, but as individuals."

The wife of the President showed herself a connoisseur of history when she declared that "History shows us that social economic conditions create political conditions."

U.S. Forces In China To Total 6,180

THE United States Secretary of State George C. Marshall disclosed in Moscow that American military and naval personnel in China would total 6,180 by June 1, 1947. He said of these only a third would be combat forces. He added that these forces would remain in this country at the request of the Chinese National Government. This disclosure was made by Marshall in reply to Soviet Foreign Minister Vyacheslav Molotov.

Land Tax In Kind

THE collection of land tax in kind is to continue this year. In Szechuen, the quantity to be collected will exceed the levies of 1946, the *Ta Kung Pao* reported from Chengtu. "In order to meet the existing requirements, the Central authorities will borrow 2,000,000 piculs of edible grains from Szechuen," the paper said.

Early last week, Dr. K. M. Hsu, manager of the Kincheng Banking Corporation, criticized the Government's economic policies, stating that the only successful economic policy is one based on the needs of the rural community. He said that thus far the Government's policies have been directed to the urban areas, although 80 percent of the Chinese were peasants. Even in the sphere of urban economic policies error has been made, banker Hsu charged. The monopolistic control of heavy and light industries and the ousting of private enterprise has seriously lowered China's productive potential, he said.

Taiwan Riot Clue

GENERAL Pai Chung-hsi, Minister of National Defense, drew a broad outline of the basic causes of the Taiwan uprising when he broadcast over the island's system on March 28. He said that the "malicious character of the education of the Taiwanese people during 51 years under the Japanese, made them disrespect and resent the Chinese people and soldiers." This, he said, was the incipient cause of the incident. Then, the Communists "started a similar propaganda campaign and at the same time they began their armed rebellion to overthrow the Government."

General Pai made no mention of the reason first given by the KMT leader in Taiwan, who said the uprising started due to the Taiwanese "misunderstanding" of the Government's economic policy in the island.

The *Economic Newsletter*, giving the economic background of the Taiwan uprisings, said that "the entire business activity is monopolized by two Government bureaus and holds the natives at their mercy." Moreover, the Industrial and Mining Administration controls all factories and mills taken over from the Japanese. "This network binds the natives hand and foot," the paper declared.

The letter further revealed that inasmuch as all shipping above 20 tons is controlled by the government, the natives could not possibly engage in smuggling, as charged. "Where can the smugglers get ships, if not from the provincial shipping company?" it inquired.

The Government in Taiwan is the biggest landlord and rice hoarder, the newsletter charged.

Minister of Information Peng Hsueh-pei said that there was no truth in reports that exchange rate would be revised. He also said that no new currency would be created and it was obviously premature to contemplate the creation of a gold standard.

TIME FOR DECISION

What U.S. Papers Say . . .

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Gromyko's use of the veto on the Corfu Channel mining case was seen as pertinent to this question. The *Philadelphia Inquirer:* "If the Albanian veto has proved nothing else, it has demonstrated why it was necessary for the United States to go alone in the Greek-Turk emergency without inviting time-wasting, morale-killing vetoes in the United Nations."

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"It is unfortunate that China cannot be saved by fine words, of which there is such a plentiful supply. One of the more recent examples (in addition to the speeches in the Kuomintang committee) was offered by Gen. Chu Shao-chu, Governor of Shensi. He promised to carry out highly desirable reforms in areas recovered from the Chinese Reds near Yenan. His rehabilitation plan for the area as announced by the Chinese Government was both merciful and sane. If it could be put into effect the National Government would soon win the support of the peasant population in northern Shensi, and a great advance would be made toward the unification of China. But prospects that this will happen are not good. What can be expected of a mere general when even the resolutions of the Kuomintang's highest committee (as Generalissimo Chiang Kai-shek himself pointed out recently) often are ignored in practice and remain nothing more than 'paper promises?'"

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"All Asia has gathered at New Delhi. The upsurging aspirations of a continent meet there in an India-sponsored Asiatic relations conference, called to discuss common economic, social and cultural problems. One Indian paper, commenting on this 'most significant event of the past 125 years,' declares: 'As the curtain falls on Europe, it rises on Asia.'

"It may be a little early to ring down asbestos on Europe, and the opening scenes of the new Asiatic drama may disclose a bare stage, a large but ill-trained cast, and a play with plenty of eloquence but little coherent plot. There is no denying, however, that the performance is under way."

Commenting on attempts by Jinnah and Nehru to calm the rioting in India, the *New York Herald Tribune* said:

"These indications of an increasing sense of responsibility among Indian politicians are encouraging. There have been repeated examples in that country of a failure of political leaders to realize the probable consequences of their acts. Both Hindu and Moslem politicians have assailed their opponents in most violent language at times of tension —which was like throwing matches into tanks of gasoline. The apparent reason for this irresponsibility is that few of the principal leaders of India are experienced in public office; thus they have not gained a sense of caution.

"Some of them brooded in prison for years and became embittered against almost every one who disagreed with their views. But the great need of India today is not for bitterness but for conciliation. Any sign of political moderation is welcome. Any Indian who tries to put out the fires of religious hatred, as Mr. Jinnah did in his comments on the Punjab, should be praised."

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The *Shun Pao* recommends that the Government make sure that local officials refrain from forcing the people to buy these bonds, thereby destroying their confidence. At the same time, those who hold foreign currency abroad should be compelled to buy bonds, even if political and diplomatic pressure is necessary. Redemption of the notes and bonds must be guaranteed, and the past mistake of redeeming the gold savings certificates at a reduced rate must be avoided. The proceeds should be devoted to production and economic reconstruction.

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YOUTH

THE observance of Youth Day and the anniversary of the Hwanghuakang martyrs inspired many editorials on the subject of youth's role in China today.

The *Wen Wei Pao* said that in spite of the fact that the existing system is filled with corruption and crime, that the country is experiencing political chaos, economic difficulties and an educational and cultural depression, among Chinese youth in general there is a decisive and tremendous, though invisible, force which is trying to prevent retrogression and the loss of national independence. By recalling the great spirit of the Hwanghuakang revolutionary martyrs and remembering the existence and awakening of youth throughout the country, confidence in China can be strengthened.

Other comments were much in the same vein. According to the *Chung Hwa Shih Pao* of the Young China Party, the resolutions of the Third Plenary Session of the KMT's CEC, concluding political tutelage and reorganizing the Government, are the beginning of fulfillment of the cause for which the Hwanghuakang martyrs died.

REORGANIZATION

GOVERNMENT reorganization was still the subject of much comment. Said the *Wen Wei Pao*: While the people are not necessarily much interested in the reorganization of the Government they can at least foretell two things. As far as the Government is concerned, the return of governing power to the peopeo does not mean the return of governing power to the Young China Party and the Democratic Socialist Party alone. However, this reorganization of the government marks the first time that the KMT has thrown open the Government to any other party. The extent to which the Government is thrown open to other parties will indicate how sincere the Kuomintang is in enforcing the Constitution.

The Young China Party's *Chung Hwa Shih Pao* opines that the reason internal conflict has not been ended in China is that China has been without a Constituton which is observed by all the country, so that all political struggles may follow a normal, peaceful democratic course. The Communist problem in China has a history of more than 18 years; but the nation cannot wait to enforce the Constitution. If the Communists will restore railway traffic the Government will try to achieve peace and unity by political means.

The paper goes on to say that the reason it has emphasized the importance of participation of all parties in local governments is that corruption on the local level of Government has caused the greatest suffering to the people. If the Central Government alone is reorganized and if the basic local governments are not changed in form, then even if a good Joint Administration Plan and good administrative orders are passed by the State Council and the Executive Yuan, darkness will continue to reign in the different provinces.

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THE *Ho Ping Jih Pao*, KMT army organ, opines that the "Movement for the Protection of Human Rights" has been instigated by the appendages of the Communists who enlisted the support of a few relatively well known personages, and that its purpose is the protection of Communist and Democratic League Fifth Columnists.

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NEW BOOKS OF INTEREST

China Fantasy

THE THREE BLOSSOMS OF CHANG-AN *by Keith West. Published by The Macmillan Company, New York,* 1946. 268 *pp.,* US$2.75. *Reviewed by Marion Barney.*

SOMEWHAT reminiscent in style of The Dream Of The Red Chamber, but substituting realism for the occult, this is quite a charming novel.

It purports to be a manuscript found in a coffin, many centuries old. It is the story of the occupant's life, told in the third person. Unable to resolve the tangle of his three loves—his wife, Hibiscus, his concubine, Jasmin, and his mistress, Peony—Lien Kin Wai, Magistrate of Kow Loong, took his own life. His account of himself is divided into three parts, each devoted to his relationship with one woman.

"Quaint" seems the most appropriate adjective to apply, although it is not used in a derogatory sense. Delicate philosophy and humor run behind the account of magisterial duties and romantic intrigues. It is not a story of action, but of interlocking and slowly developing human relationships.

The book has skilfully recreated the atmosphere of story book China, the exquisite setting of The Dream Of The Red Chamber, although it falls short of the poetic value of that tale. While there is relatively little straight description, what there is, is effective, as witness the following:

"Although it was the eleventh month, the tropical sun was hot enough now, at midday, to make shade desirable. Everywhere, since it was not far past noon, treasured breaths of air moved and stopped moving, and over the naked rocks the air shimmered under the heat. The broad leaves of the trees, the narrow leaves of the bamboos, seemed dustier now than really they were, and to the hand's touch the still water in shallow pools on the rocks' surface seemed too hot for comfort. A lizard ran from one crack to the next, paused and disappeared, leaving behind it an impression of interlocking plates of armor and a small, bright ringed eye which for a moment surveyed Lien and Jasmin, then almost closed as the lizard glided into a cranny, instantly there and again instantly vanished..."

There is really no trace of tragedy in this book. The conflict is not violent nor the struggle strained. The hero's suicide is not gloomy—it is simply the most graceful way out of a spiritual impasse.

Education

YOUR SCHOOL, YOUR CHILDREN (*A teacher looks at what's wrong with our schools*) *by Marie Syrkin. Published by L. B. Fischer, New York,* 1944. 224 *pp.,* US$2.50. *Reviewed by S. E. Shifrin.*

IT is an old gripe by now—the state of American schools. The complaint that democracy has a way of being taken for granted, that complacency and apathy reign in a school system and in a nation, is basically nothing new. In the light of the recent complaints of U.S. teachers about being underpaid, this is one complaint about the school system which cannot be found in Miss Syrkin's book. Perhaps it is because she limits her warning to describing the main danger signals dealing not with the teacher but with the students and the public school system.

The author says that classes in the schools are too big, that standards are dropping, that tolerance is bordering on an attitude favoring the line of least resistance. As an alarming result of systematic debunking she sets down reaction of the young to the existence of heroic figures in history as "applesauce" and more streamlined "propaganda."

In her classes it was accepted that a person "had a right to be intolerant," just as he "had the right to disbelieve" a statement of fact by a prominent astronomer. The thesis that democratic tolerance has limits and that for democracy to continue existing it must accept challengers, not disregard them, is not a radical departure.

There is much in what she has to say, based as it is on personal experience, and especially in her appeal for regular classes of "democratic indoctrination" in public schools. In a way it is just as important to keep school teachers freshened up in the main currents of world events and trends, to bolster their beliefs and ideals on a job that too easily becomes a drab duty. To convince, they must necessarily believe themselves, and the virgin gloss of the sheepskin all too frequently wears off too soon. There should have been a third part to this book—"Your Teachers."

International Neurosis

WORLD OF THE GREAT POWERS *by Max Lerner, and George Fielding Eliot on the Military Strength of the Big Five. Headline Series. Published by the Foreign Policy Association, New York, February,* 1947. 94 *pp.* US$0.35. *Reviewed by Marion Barney.*

IT is a pleasure to meet with so orderly an analysis of a most complicated and comprehensive subject—international relations today. While the conclusion is, inevitably and not too profoundly, that we must all relinquish our suspicions and self-seeking in favor of a little international goodwill and voluntary regulation unless we propose to be blown to fractions of atoms, the level-headed statement of the problem is of value in itself.

The subject matter is presented in pleasant form, clearly and tidily outlined, with heads, subheads and subsubheads. The pages are enlivened with a few graphically apposite cartoons.

The cautious reader will do well to guard against oversimplification, which in the very nature of the project is bound to appear in some parts. A point in case is the analysis of Soviet Russia's aspirations, present and future. It must be remembered that the whole booklet is a personal interpretation of facts, an expression of opinion, rather than a resume of established verities.

Whether or not one agrees wholeheartedly with Mr. Lerner, the author's ideas must give pause. Aside from controversial opinion, his approach to the problem is a sane and valuable one. His handling of it lacks completely the rabidity which sometimes characterizes PM's crusading spirit, although he is editorial director of that paper. And while no one is likely to dispute his general conclusion, it is an idea which bears repetition, again and again:

"The United States has three choices ahead. It can use its immediate strength to make a bid for world empire. It can drift along toward an armed conflict and world chaos. Or it can move with other nations, through the UN and through a policy of democratic helpfulness and understanding, to a world society and world government. Empire, chaos, or law—those will be our choices."

Major Eliot's evaluation of the military strength of the Big Five, with which the pamphlet ends, is a concise and clear statement. As to its accuracy, this reviewer is not qualified to judge, except by the excellence of the writer's long-established reputation as an acknowledged authority on military matters.

Objective

DICTIONARY OF PHILOSOPHY *edited by Dagobert D. Runes. Published by Philosophical Library, New York,* 345 *pp. Reviewed by Y. F. Soo.*

THE aim of the dictionary, as the author himself declares, is to provide teachers, students and laymen interested in philosophy with clear, concise and correct definitions and descriptions of the philosophical terms, throughout the range of philosophical thought. Every subject has been treated with the importance that it holds in the entire history of philosophy. More than 70 prominent students of the subject have contributed to this volume.

In general, the dictionary explains certain terms which to the layman appear unintelligible in simple phrases and reduced to fundamentals, insofar as this is possible to achieve in a few lines without a distortion of their meaning. Thus, *agathology* is explained as the science of the good. On the other hand, numerous phrases, used in the short articles clarifying the more important aspects of philosophical thought are definitely beyond the reach of the common man unless he possesses a prior knowledge of the subject in question. This, however, does in no way detract from the usefulness of the volume.

The claim of the editor that the explanations of philosophical terms are "clear, concise and *correct*" is well founded. The volume does not attempt to brush off exponents of either the idealist or materialist philosophies, as often happens with publications where either the one or the other is treated preferentially. The entire work is strictly objective.

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"Tai Hu" Excur.	I, II Triumph Exp.	II, III Local	I, II III Exp.	I, II Exp.	II, III Local Exp.	I, II N'king Excur. Throu. Exp.	I, II III Night Exp.	I, II Night Exp.	I, II III Night Exp.	STATIONS	I, II H'chow Excur. Throu. Exp.	I, II III Exp.	I, II III Exp.	I, II Exp.	"Tai Hu" Excur.	I, II Triumph Exp.	I, II III Night Exp.	I, II Night Exp.	II, III Local	II, III Local Exp.
6.40	7.00	7.30	9.00	11.00	12.15	13.30	21.50	23.00	23.20	D SHANGHAI NORTH A	14.45	16.20	18.25	19.30	22.20	22.45	6.35	8.00	9.25	17.10
			10.16	12.14			23.23			D KUNSHAN D		15.24	17.09	18.15			5.28			
	8.41	9.42	10.57	12.57	14.29	15.17	0.20	1.06	1.43	A SOOCHOW D	13.06	14.33	16.23	17.29	20.31	21.06	4.3.	5.39	7.10	15.19
8.31	8.48	9.09	11.06	13.04	14.36	15.26	0.27	1.13	1.55	D SOOCHOW A	12.59	14.19	16.17	17.21		20.58	4.32	5.19	7.04	15.09
9.25	9.36	10.45	11.54	13.55	15.35	16.14	1.22	2.08	2.70	A WUSIH D	12.11	13.24	15.14	16.27	19.35	20.10	3.39	4.26	6.00	14.10
	9.42		12.06	14.02		16.23	1.29	2.15	3.00	D A	12.04	13.18	15.08	16.21		20.03	3.33	4.19		
	10.31		12.59	15.01		17.09	2.27	3.13	4.05	A CHANGCHOW D	11.17	12.22	14.05	15.20		19.16	2.35	3.30		
	10.40		13.08	15.15		17.19	2.37	3.25	4.13	D A	11.06	12.09	13.55	15.08		19.06	2.24	3.20		
	11.38		14.00	16.13			3.56	4.29	5.16	A TANYANG D		11.09	12.40	14.05		18.12	1.07	2.03		
	11.41		14.03	16.17			4.00	4.33	5.20	D A		11.05	12.36	13.55		18.08	1.02	2.00		
	12.18		14.40	17.01		18.46	4.46	5.18	6.02	A CHINKIANG D	9.32	10.28	11.41	13.07		17.23	0.09	1.07		
	12.25		14.45	17.17		18.53	4.55	5.27	6.09	D WEST A	9.24	10.21	11.38	12.59		17.15	23.56	1.00		
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WUSIH	129	10,000.	12,000.	5,000.	6,000.	2,500.	3,000.	19,500.	10,500.	20,000.
CHANGCHOW	168	14,000.	16,000.	7,000.	8,000.	3,500.	4,000.	19,500.	10,500.	
TANYANG	213	16,000.	20,000.	8,000.	10,000.	4,000.	5,000.	30,000.	16,500.	
CHINKIANG WEST	243	18,000.	22,000.	9,000.	11,000.	4,500.	5,500.	30,000.	16,500.	
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6.45	8.00	8.15		11.30	16.00	16.15	22.45	D SHANGHAI NORTH A	9.15	12.15	12.35		18.55	20.05	22.30	23.39
7.05	8.16	8.36	9.00	11.53	16.19	16.36	23.06	D SHANGHAI WEST D	8.58	11.55	12.20	17.20	18.37	19.49	22.13	23.12
7.49		9.46	10.29	12.38	17.03	17.46	23.50	A D	7.51	10.44	11.26	15.29	17.48		21.00	22.16
7.54		9.56	10.40	12.43	17.08	17.51	23.55	D SUNGKIANG A	7.47	10.38	11.21	15.22	17.39		20.54	22.11
9.02	10.02	11.40	12.50	13.50	18.16	19.23	1.06	A D	6.35	9.04	10.13	13.10	16.20	17.54	19.25	21.00
9.16	10.08	11.50	13.15	13.58	18.26	19.33	1.16	D KASHING A	6.28	8.55	10.04	12.45	16.11	17.47	19.12	20.50
10.00		12.33	14.52	14.32	19.01	20.16	1.50	D YEHZAH D	5.56	8.14	9.31	11.53	15.39		18.29	20.18
10.31		13.18	15.56	15.04	19.32	21.01	2.21	A D	5.23	7.27	8.58	10.40	15.06		17.42	19.34
10.36		13.26	16.10	15.11	19.37	21.06	2.26	CHANGANTSENG D A	5.19	7.22	8.54	10.27	15.02		17.37	19.27
11.30	11.55	14.45	18.10	16.20	20.30	22.20	3.25	A HANGCHOW D	4.25	6.10	8.00	8.30	14.00	16.00	16.25	18.25

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